Daily Report

Latin America

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FBIS-LAT-90-174 *7 September 1990*

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Area Oil Producers Asked To Help Ailing Economies

PA0609204690 Hamburg DPA in Spanish 1744 GMT 3 Sep 90

[Text] Caracas, 3 September (DPA)—Venezuelan Foreign Minister Reinaldo Figueredo today explicitly appealed to the petroleum producers of Mexico, Ecuador, Argentina, and his own country to redouble efforts in order to support those economies that are suffering as a result of the increase in crude oil prices in the wake of the Persian Gulf crisis.

Upon opening the 16th Council of the Latin American Economic System (SELA) that assembles the economy and foreign ministers of 26 countries that form SELA, Foreign Minister Figueredo made the aforementioned call.

Figueredo stressed the "destructive" effect caused by the increase in crude oil prices on the economies of various countries of the region. He asked oil producers to take steps that go "beyond a simple emergency."

Speaking before the SELA delegates, Figueredo said: "We have helped, but not as much as our countries could have." The week of 26 August, Venezuela decided to step up its crude oil production by approximately 300,000 barrels in an attempt to slow the increase in oil prices.

Figueredo called on Latin American and Caribbean countries to unite in order to face the industrialized powers together, and he asked for "innovative and creative" answers to the world's changing situation, particularly the changes in Eastern Europe.

Figueredo accused the "centers of power" of the industrialized nations of trying to divide international commerce and to obstruct an "autonomous response" from the developing countries.

Meanwhile, Uruguay's Carlos Perez Del Castillo, SELA permanent secretary, noted the common position adopted by the SELA countries at the Uruguayan Round of GATT negotiations.

Guatemalan Deputy Economy Minister Edmundo Estrada Galvez also stressed the work of SELA in the search for a joint position on trade and the foreign debt.

The delegates will also analyze the Initiative for the Americas announced by U.S. President George Bush, who has proposed a free trade zone for the continent. According to the Venezuelan foreign minister, the initiative will provide an opportunity to compare ideas, "to everyone's benefit."

Another of the main points of the meeting will be the foreign debt and a proposal, already approved during a special SELA meeting, to reduce by 75 percent the transfers [transferencias] abroad.

According to the latest figures provided by SELA, the region's foreign debt amounts to approximately $430 billion.

The technical phase of the meeting will give way to the meeting of economy ministers on 6 September. On 8 September, the foreign ministers will meet in an informal dialogue sponsored by Venezuela.

SELA will be celebrating its 15th anniversary this year.

Former Mexican President Luis Echeverria and Venezuelan President Carlos Andres Perez, two of the main promoters of the SELA, will attend the beginning of the ministerial meeting on 6 September.

Six Countries To Integrate Railroad Systems

PY0609165690 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 6 Sep 90

[Text] Spain and the International Development Bank will finance a project to integrate the railroads of Brazil, Argentina, Uruguay, Bolivia, Chile, and Peru. The objective is to increase cargo freight between the Atlantic and Pacific seaboards.

With an investment of $120 million, the Libertadores Project will be developed by a Spanish consortium to mark the 500th anniversary of the discovery of the American Continent by the Spaniards.

Cuba

GRANMA Prints Editorial on Embassy Incidents

FL0609140090 Havana Tele Rebelde Network in Spanish 1100 GMT 6 Sep 90

[Text] With the title "Lessons From a Skirmish," GRANMA has published an editorial today about the events at several embassies. GRANMA refers to the failure of those who inside or outside Cuba (?attempted to make) the Cuban Government violate its own laws and yield to the various types of pressures that were brought to bear through the illegal and forcible entry of 53 citizens into several diplomatic missions and residences accredited in Cuba.

Two basic principles guided the conduct of the Cuban Government in this situation. First, absolutely no one who enters by force or is taken into a diplomatic mission for the purpose of obtaining special treatment to emigrate will receive authorization to leave the country, neither at that time nor later. This position is unalterable. Second, since persons who use this procedure are frequently victims of circumstances and propagandistic campaigns, on this occasion Cuba has not brought them to trial for their actions.

During this delicate process, our country has maintained a dialogue with representatives of the diplomatic missions that were the target of the illegal actions, primarily out of concern for the physical integrity of the diplomats, given that in a climate like the one that was created it could have become impossible for the host country to guarantee protection for those people who even exposed their relatives. Cuba has also reiterated its willingness to discuss emigration issues bilaterally with any of those governments whose embassies seem to be favored by those who want to emigrate by force.

The thwarted episode that has just ended forced the Cuban Government to carry out a costly operation to protect the embassies. A large number of men and large amounts of equipment were used, even at the expense of other operations of a domestic nature, and this caused unnecessary inconvenience to pedestrians.

Cuba is aware of its responsibility as a host country to ensure the proper functioning of accredited diplomatic missions, but Cuba cannot be asked to do what other countries must do by and for themselves. Therefore, after bringing these exceptional measures to an end, the Cuban Government will have no responsibility for further actions that encourage or carry out illegal and irresponsible behavior.

The skirmish has ended. From Cuba's point of view, the only losers are the enemies of the Cuban people and their revolution. We hope that no one will miss the lessons that can be understood by everyone. Thus ends today's editorial in GRANMA.

Miami Residents Sentenced for Drug Trafficking

FL0709012590 Havana Television Service in Spanish 0000 GMT 7 Sep 90

[Text] The Penal Court of the People's Tribunal in Camaguey heard today Case 970 of 1990 and handed down sentences that range from one to 15 years of imprisonment to eight people arrested for illegally entering the national territory, trafficking and possessing toxic drugs, and other similar substances.

The defendants were sailing boats near Cruz and Confite Keys, north of Camaguey Province, where they reportedly were going to pick up various drug loads dropped from planes coming from abroad. Evelio Leiva Meisoso and Belinda Bautista Bernal, Cubans who reside in Miami, were detained in Confite Key last 20 March. John Jairo Sanchez Barboso, also resident of Miami but born in Medellin, Colombia, was also arrested.

Jorge Alberto Parrado Martinez, Juan Carlos Viera Gonzalez, Andres Pintado Otero, and Osvaldo Meleros Castellanos—all Cubans residing in Miami—and 21-year-old U.S. citizen Daisy Beatriz Alvarez, were arrested on 23 April in Cruz Key where they had buried 507 kg of cocaine in 15 packages. [Havana Radio Rebelde Network in Spanish at 2300 GMT on 6 September in a similar report adds: "Investigations show that the coordinator of this group's activities is a well-known narcotrafficker called Skinny [el Flaco] who uses the cover of a jeweler in Miami."]

In addition to the witnesses' testimonies and the results of the investigations conducted by the appropriate Interior Ministry organizations, the confessed defendants clarified the facts.

The sanctions respond with true justice to the degree of guilt of the crimes as a whole and are not a mathematical addition of the sentence corresponding to each one of them. The entire process was attended by relatives of the defendants, legal figures, journalists, the public in general, and representatives of the U.S. Interests Section in Cuba.

Investment in TV Marti Termed 'Crazy Project'

PA0609231890 Havana International Service in Spanish 0000 GMT 30 Aug 90

[Commentary by Roberto Morejon]

[Text] The U.S. taxpayers' money will continue to be invested in crazy projects because of the the U.S. Government's decision to continue the transmissions of the anti-Cuban television station, despite the successful electronic jamming of its signal.

The signal of the ill-named TV Marti, named to offend Cuba's national hero Jose Marti, cannot be received in Havana or in its surrounding areas.

U.S. President George Bush, however, has resorted to trickery to prop up such an ineffective project before the

U.S. Congress. The U.S. Congressional Budget Committee has admitted that the figures on the alleged audience of the television station have been altered by the U.S. Government Information Agency in two polls conducted among carefully selected people. Most of the people polled are counterrevolutionaries of Cuban origin, who left their country and moved to the United States, and their relatives, who are visiting the United States. This group made it very easy for Washington to obtain favorable results about the hypothetical possiblity of viewing the illegal television transmissions in Cuba.

Such clumsy maneuvers suggest that the television station is destined only to make the White House's anti-Cuban campaigns, which are aimed at promoting subversion inside Cuba, look bad.

The ill-named TV Marti is both illegal and immoral. Its legality has even been questioned by international telecommunications organizations because it is imposing television signals on another country thanks to U.S. technological might.

The U.S. Republican administration intends to erase the world's objections to TV Marti with one stroke and lessen the importance of the reports on the effective jamming of the television signals, which have been done patiently by Cuban experts since 25 March 1990 when the TV Marti transmissions began.

Bush will present many reports to his Congress and resort to more lies, but this will not change the fact that TV Marti is neither seen nor heard in Cuba.

Yndamiro Restano Comments on Dissident Groups

AU0609114190 Prague ZEMEDELSKE NOVINY in Czech 1 Sep 90 p 4

[CTK report: "Clumsy and Unfortunate Step"]

[Text] Havana—Yndamiro Restano is one of the three Cuban dissidents whose participation in the current Havana congress of the United Nations on the prevention of crime and treatment of convicts has been precluded by the Cuban Government despite their proper accreditation. He is a leading representative of the Independent Organization of Cuban Journalists, member of the Executive Committee of the Cuban Commission for Human Rights and National Atonement, and one of the initiators of the formation of the group, Manifesto of Harmony (MAR), which presses for a broad democratic dialogue and nonviolent changes in Cuba.

In an interview with a CTK correspondent, Restano described the Cuban Government's conduct toward dissidents who were to take part in the congress as "another clumsy and unfortunate step." However, he concentrated mostly on the goals of the opposition circles, which he represents.

"I represent that current of the Cuban opposition which adopts the view that any political and social changes must be realized without violence and without any external intervention," Restano said. "This current could be described as a social democratic one, and its goals and ideas are to a great extent expressed in the work of the Commission for Human Rights and National Atonement, and in the activity of the special-interest group, Manifesto of Harmony. The latter was officially constituted on 20 June, the day it issued the appeal for a national dialogue which would make it possible to revive national values and to overcome the deep political, social, and economic crisis," Yndamiro Restano asserted.

Further, the representative of the Cuban opposition declared that both the Commission for Human Rights and National Atonement and the Cuban Human Rights Committee belong to the advocates of a dialogue with the government, while a part of the exile opposition in Miami proclaims that no new dialogue should be entered into, and that a violent solution is preferred. Yndamiro Restano described these views as erroneous. An absolute majority of the domestic opposition advocates a peaceful internal dialogue by the whole society and by all Cuban citizens. "The fact that we oppose the government does not mean that we are not patriots. In any case, we prefer any dialogue to a confrontation," he emphasized.

"The Cuban opposition is now something like Yeti, the abominable snowman," Yndamiro Restano said, "a lot is written about it all around the world, but, unfortunately, without any true knowledge of the subject. It is a fact that the domestic opposition has serious difficulties with venting their opinions and goals. Therefore, the opinions of the exile groups in Miami are often presented as the universal goals of Cuban opposition. These groups, however, have practically no support in Cuba, and even the diverse extremist movement does not have such a support. One could say that the greatest support, and now even in the provinces, belongs to the left-wing opposition, the orientation of which could be characterized as close to the statement by the group, Manifesto of Harmony," Yndamiro Restano said in conclusion.

Human Rights Group Reportedly Works for U.S.

PA0709041390 Havana International Service in Spanish 0100 GMT 6 Sep 90

[Text] Tania Diaz Castro, former member of the so-called Cuban Party for Human Rights, has charged that the group's members are soldiers [soldados] of the U.S. Interests Section in Havana. She accused Washington of using these individuals, adding that the United States cares very little for human rights. What the United States wants is to destroy Fidel Castro and annihilate the Cuban Revolutionary process, as it did in Nicaraguan, Grenada, and Panama.

Tania Diaz Castro made these remarks in her home to accredited Havana correspondents and foreign reporters who were covering a UN congress on crime. Diaz Castro said that no so-called human rights groups exist in Cuba, except in the propaganda spread by some U.S. media.

Electric Power Saving Figures Reported

FL0709024690 Havana Television Service in Spanish 0000 GMT 7 Sep 90

[Speakers identified by captions]

[Text] A considerable drop in electricity consumption can already be noticed a week after the fuel-saving measures were implemented.

[Begin recording] [Pablo Gonzalez Martin, chief of control and analysis of the power distribution center] A drop in demand has been observed from 29 August to yesterday which represents approximately 244 megawatts. So that the population can get an idea, this savings is equivalent to the power given to the central provinces; that is, the power consumed by Villa Clara, Cienfuegos, and Sancti Spiritus Provinces. This is so that the people can get an idea of the amount that is being saved.

[Reporter Roberto Nadchar] How can we compare this with the days preceding the call made by our government and our party?

[Gonzalez] If we compare this with the preceding days we can see that there has been a reduction of 156.8 megawatts which is equivalent to the amount of power the Matanzas Province consumes. If the people were able to save 10 percent of electric power until the end of the year, this would bring a daily average saving of approximately 500 tons of fuel. [end recording]

Peruvian University Delegation Arrives on Visit

FL0709030390 Havana Television Network in Spanish 0000 GMT 7 Sep 90

[Text] A delegation from Peru's San Marcos University arrived in our country today on a friendly visit to present to commander in chief the honorary doctorate degree from that higher education center. The delegation is headed by Wilson Reategui, rector of the San Marcos University. Minister of Higher Education Fernando Vecino Alegret, officials of the party, and leaders of the Cuban Academy of Sciences and the University of Havana went to welcome the group. The secretary general of the Peruvian education center, a dean, and a professor, are among the visitors. They will fulfill an important agenda. Agreements between the two universities will be established, among other things.

[Begin Rector Reategui recording] Our presence in Cuba is to express our country's solidarity, especially that of San Marcos University, on the occasion in which President Fidel Castro is distinguished with the highest award our university confers. I believe that Commander Fidel Castro has done many worthy things for his country, Latin America, and our country in particular. We are in Cuba for the first time. This will be a good opportunity to strengthen the bilateral friendly ties between our peoples, universities, and institutions. I will be especially pleased to be able to meet personally a figure we admire a lot in Peru such as Commander Fidel Castro. [end recording]

ANPP's Benitez Meets With Spanish Communist

FL0609213890 Havana Radio Reloj Network in Spanish 1941 GMT 6 Sep 90

[Text] Zoila Benitez, vice president of the National Assembly of the People's Government [ANPP], has received Francisco Palero, secretary of international relations of the Spanish Communist Party, at Havana's ANPP auxiliary offices. The meeting made possible an exchange of information and views especially on the development of legislative activities and the electoral system.

Jorge Risquet Meets With Ugandan Officials

FL0609211690 Havana Radio Reloj Network in Spanish 1932 GMT 6 Sep 90

[Text] Ibrahim Mukiibi, Ugandan minister of internal affairs and member of the National Resistance Council, and the delegation he heads, which is attending the Eighth UN Conference on Crime Prevention and Rehabilitation, were received by Jorge Risquet Valdes. The meeting took place in a fraternal atmosphere.

The Ugandan minister expressed his admiration for the achievements of the Cuban Revolution, praised the medical aid Cuba is giving to his country, and said he was satisfied with the level of trade with Cuba.

The visiting delegation received a briefing on the political, economic, and social situation in Cuba and noted our people's willingness to face, with the leadership of the party and Fidel, the difficulties and the imperialist blockade.

In addition to Risquet Valdes, who is a member of the Communist Party of Cuba Politburo and secretary of the Central Committee; Rodolfo Puentes and (Fernando Hormides), officials of the Foreign Ministry, were also present for the Cuban side.

Zimbabwean Delegation Arrives for Talks

FL0609142690 Havana Radio Reloj Network in Spanish 1408 GMT 6 Sep 90

[Text] David Karimanzira, higher education minister and head of the Zimbabwean delegation attending the joint commission meeting with Cuba, has said that the protocol the two countries will sign will expand economic and scientific-technical cooperation. He said that as Third World countries and for the purpose of promoting South-South relations, there is a common interest in identifying new areas of cooperation and for the exchange of technology among our peoples. The conditions exist, he said, to begin more extensive trade cooperation.

In a visit to the Isle of Youth, the president of the Zimbabwean delegation said that his country can export canned meat and beans to Cuba. He also said that there are other areas of interest that could increase the cooperation that began in 1986.

Castro Receives Women's Volleyball Team Members

FL0709022090 Havana Television Service in Spanish 0000 GMT 7 Sep 90

[Text] Commander in Chief Fidel Castro received today the members of the women's volleyball team that represented us at the World Championship held in China. [video shows Castro greeting the members of the team with a kiss on the cheek]

During a lively chat, Fidel asked about details of the tournament, the return from China to Cuba, the schedules, food, and showed interest in the team's future plans. He especially noted the 1991 Havana Pan-American Games and the 1992 Barcelona Olympics. He urged them to train hard to obtain the victory.

Mireya Luis, captain of the spectacular dark-skinned women of the Caribbean, on behalf of her teammates, expressed appreciation for the chief of the revolution's gesture of receiving them even though they are returning to the fatherland without a medal.

[Begin recording] [Casto] So five of them have short vacations and seven of them have more free days. How many days do the others have?

[Unidentified speaker] A week and four days off.

[Castro] Why so little? These cannot go where the others are going?

[Speaker] They should not go.

[Castro] Well, that is up to you. I do not get involved in that because that is your business.

[Speaker] They will go when they win medals. That is the rule.

[Castro] I receive them whether they win a medal or not. I asked when were the girls coming. I asked to be told. Because we are only going to receive people when they are successful. If not, who is going to encourage them when they have a setback? To the contrary, now is the time when you have to work hard, with honor, and with twice as much enthusiasm to make up for it. There is a saying that goes: He who gets even has not been wronged. For sure we are going to get even. If not, Conrado [not further identified] should say how many more calories you need.

[Speaker] They are already saturated.

[Castro] What?

[Speaker] They are saturated with calories.

[Castro] They are going to have a new field, excellent conditions, new reinforcements. Everything. Who can beat us during the Pan-American Games?

[Speaker] [Words indistinct].

[Castro] Who can beat us at the Pan-American Games and who can beat us at the Olympics? They will see who we are.

[Luis] Commander, before leaving, on behalf of the team, we want to thank you for your gesture for....

[Castro, interrupting] [Words indistinct] to receive them only when they bring gold medals and money. [laughter]

[Luis] This has served us as experience, and at the same time your presence here is an encouragement to continue with the struggle. [end recording]

People To Report Day-Burning Street Lights

FL0609221590 Havana Radio Reloj Network in Spanish 1947 GMT 6 Sep 90

[Text] One can see street lights on during the day in some Havana streets and avenues because of the the lack of supplies for the maintenance of public lighting. The electric union explained that the system to switch street lights on and off operates automatically with components that are sensitive to the natural light. However, the only way to detect a problem is by looking at the light at the site.

Therefore, the population can contribute to turn off the lights that are on during the day by calling 44-88-01 through 09 in Boyeros, Diez de Octubre, and Arroyo Naranjo Municipalities. In Guanabacoa, Habana del Este, Cotorro, and San Miguel del Padron, the people can call 90-69-11 through 18. If the calls do not go through at the municipalities' phones, you can call 44-33-16, which is the provincial directorate of the electric power enterprise.

Directorate Adopts Fuel-Saving Measures

FL0609220090 Havana Radio Reloj Network in Spanish 1942 GMT 6 Sep 90

[Text] The Commerce and Restaurant Directorate in Holguin has adopted numerous organizational measures aimed at saving fuel and increasing service for the population. Three inspection brigades composed of administrative personnel who will stop doing regular office work on Saturdays is among the main tasks carried out by the commercial and restaurant units in the province. Likewise, 1,200 other employees alternate their Saturday work with work at service units and contribute to save electricity at their usual work places.

Sugar Industry on New Conservation Measures

FL0609174690 Havana Radio Rebelde Network in Spanish 1700 GMT 6 Sep 90

[Report by Diosdado Maso]

[Text] For Cuban sugar workers, energy conservation has always been a concern and a fact. In the just-concluded sugar harvest, the use of straw as fuel, even in sugar refining, has been reported with specific examples. Now, in the midst of the effort our entire nation is making to conserve oil, new measures are being implemented in the sugar industry and agriculture.

They include the "trains"—that is, a tractor that pulls three or four wagons at once—the transportation of seed for planting using the same method, and the continued expansion of the system of covering fields with straw to slow weed growth, in all areas where the technical conditions allow it. Increasing the use of multiple plows in preparing the soil, which saves a considerable amount of fuel, and the immediate construction of biogas digesters based on cachaza at the sugar complex and district dining halls are among the measures being implemented.

Irrigation under the prediction system has been introduced in some areas. It has been instructed to expand this to all the plantations where it is possible. The use of animal traction and compliance with established provisions for parking machinery round out a serious, objective, and above all very timely list of measures for the current situation.

Cold-season planting, which ensures the next harvest and that of 1992, repairs, and preparations for the next sugar harvest are tasks Cuban agroindustrial workers will have to complete with whatever resources they have.

* MINFAR on Improving Quality at Enterprises

90CA0103A Havana BOHEMIA in Spanish 20 Jul 90 pp 20-25

[Interview with Lieutenant Colonel Yvan B. Valdes Gonzalez by Alberto Pozo; place and date not given; first four paragraphs are introduction]

[Text] Job security is for the good worker. High salaries are for the executives. The customer has his representative. The goal is to achieve quality, as part of the system to be applied in 100 enterprises in 1991.

As consumers, all of us look for quality because it means that a product or service fully satisfies our needs. Let the shoe be comfortable and long wearing. Let the watch keep time well. Let the buses run fairly frequently, be clean, and not break down. All of us want the best at the lowest cost. However, with some exceptions, all of us are also producers of articles or we provide a service. Nevertheless, the desires of a consumer do not correspond to the realities faced by a producer. As in our case, demand is greater than supply and, production exploits our needs and imposes the concept of "take it or leave it." How can we turn this situation around? How can we force the producer to offer quality?

At a time when the positive aspects of the system of management improvement in MINFAR [Ministry of the Revolutionary Armed Forces] are already known, having been tested in its military enterprises, and following an announcement made by Lionel Soto, vice president of the Council of Ministers, that in 1991 100 civilian enterprises will began to apply these innovations, we decided in BOHEMIA to carry a second, informative article on the subject. Raul Lazo, a reporter, previously covered the full range of this process. For this new article we chose to present the details of this sub-system which ensures quality.

Everything Begins with Quality Control by the Workers

Lieutenant Colonel Yvan B. Valdes Gonzalez, a specialist in group diagnostics and management improvement at MINFAR, emphasized to me: "The keystone for the concept of quality guarantees is to have all workers check their own work."

[Alberto Pozo] Check their own work and nothing more?

[Valdes] No, because with workers checking their own work, production controls are eliminated. The worker should know that his labor is checked, although we should accomplish this in a nimble, flexible way and do it as little as possible. I repeat: checking his own work is an obligation placed on the worker and emphasized in the technology. There must be enough time to check his own work within the established time frame, in case this operation is performed with the machinery turned off.

[Pozo] Well, but what happens if it is found that production is really inadequate?

[Valdes] A worker who turns out a great deal of defective work, after having been trained, helped, or punished, depending on the circumstances, is declared unsuitable and transferred to a less complicated position or dismissed from the company.

[Pozo] This troubles me. I know that in order to make improvements in the management system in MINFAR you have received permission not to comply with a good many decrees and decree laws. Therefore, how would such a streamlined process be possible in civilian life?

[Valdes] Well, I think that there is already a generalized awareness that our labor legislation provides excessive protection to bad workers and therefore discourages good workers. Why should you try if another worker has the same rights which you have but does not do his social duty? Unquestionably, this is a demoralizing situation. Therefore, it will be necessary to make changes to favor company management.

The Worker Who Performs Well Has Job Security

[Pozo] Then is there or is there not job security for the worker?

[Valdes] Job security is only provided to a good worker. Working standards must be achieved with quality output. In our system it is provided that the directors can determine and decide, advised by a committee of experts, on measures to be taken in each case. The legal basis for action lies in the contract of work, where suitable conditions are set out which the worker must meet each day.

[Pozo] Well, what guarantee does the worker have regarding his hopes of improving his situation?

[Valdes] The worker must accep: a situation in which the best worker has the best prospects, and not the worker who has worked in the enterprise for the longest time. I think this is a factor which has an impact on a man, because he knows that his performance is decisive in improving his working conditions, salary, shift, or professional satisfaction. The committee of experts of the production group is in charge of this analysis. This procedure, in addition to maintaining a spirit of self improvement, gives confidence to the good worker and, above all, to the youngest workers, who see that the only way to develop their abilities is to be better at their job every day.

[Pozo] You yourselves and the best known writers on this subject have undertaken to emphasize that the essential thing to do is to ensure that the worker feels that he is motivated. This is easy to understand. However, the difficult part is to create the conditions to achieve it in practice. How do you deal with this Gordian knot?

[Valdes] We must admit that it is not easy to do this in terms of daily work. Material needs and the social, family, and labor surroundings can have a positive or negative influence on the conduct of human beings. Certain premises must be created so that the optimum quality desired by each factor involved in the productive process is achieved. The necessary factors are found in three groups: in the production process, in the person who produces the item, and in those who supervise production.

Let us begin by considering the factors affecting the person who produces the item, since you raised the matter. There are five links in this process: quality control by the worker (already considered), the manner of payment and the working standards, social conditions, suitability, the committee of experts and the worker with the most rights (already considered), and the committee for quality control, socialist competition, and political and ideological work.

A Payment Formula

[Pozo] I am not opposed to following an order, because without orders things end up in chaos. Also, such factors are very interesting to me. For example, let us talk about the manner of payment, which is so closely affiliated with the needs of human beings.

[Valdes] It is a good thing, Pozo, that we are experimenting with all of this, as with everything. There are various ways of arranging the production organization or the service which we are dealing with. One of them, which can be applied to individual recognition of work results, is as follows: the worker receives his full salary scale, although he does not meet his working standards. This compromises the system, since he has not totally earned his salary. Furthermore, this situation is subject to analysis by his immediate supervisor. If he meets his working standard, he receives a 10 percent bonus on his salary. And if he exceeds the working standard, he has the right to an additional incentive which does not amount to a high percentage of his salary scale. We base ourselves on the position that the working standard is carefully determined, added to the psychological element of not stimulating people to obtain excessive salaries, which works against quality, as is the case in payment on a direct, piecework basis. Producing goods or services well above the working standard distracts the worker. In turn, this leads to excessive income, which the worker and his family become accustomed to. To continue receiving such high income, he repeatedly sacrifices technological work discipline and, among other things, the quality of his work.

[Pozo] And how are you sure of establishing carefully considered working standards?

[Valdes] To determine a working standard properly, it must be technically set by a worker who has sufficient knowledge to select the needed technology, someone who can determine the time needed to do the work, and who knows how to do with his own hands work associated with these standards. For that reason the ideal worker for this function is a technician who, during his professional training, has been engaged in work where he selects technology, and who determines the time needed to do the job. This is essential for correcting the time span used for recording the alacrity and efficiency used to measure a worker's performance.

Attention to the Worker

[Pozo] Well, we are getting closer to giving our concrete attention to the worker. However, at the same time, to the extent that improvements are made in the job, the worker produces more and, therefore, you finally generate an excessive work force in a company. Unquestionably, this leads to a dichotomy: efficiency, on the one hand, and rationalization, on the other. How do you find an acceptable solution for the economy and for the human being who is a worker?

[Valdes] Here I wish to refer to the Comandante Ernesto Che Guevara Military Enterprise, which chose Raul Lazo, his late comrade, to demonstrate how the system functions in a complete way. How can you achieve the necessary social conditions in this community? You

have a mini zoo, a restaurant-bar-cafeteria, and a cultural center with a video hall, in large part built with voluntary labor, while at the same time a housing construction plan is being carried out which already provides accommodations for 30 percent of the workers of the enterprise. These elements create an optimum atmosphere for motivating, involving, and carrying on the work. It is a climate of confidence which makes it possible to accept that there are 258 surplus workers. Furthermore, these workers are absorbed in expanding the production of a new factory now under way, and in adding to the microbrigades and the work brigades at the farm which produces consumer goods for the employees of the enterprise and their families. The farm has made it possible to raise food consumption levels considerably and to turn back the quotas for grain, vegetables, milk, and meat which the enterprise used to receive.

[Pozo] Well, you have described the fifth link in the work of someone producing goods or services as follows: the committee for quality control, socialist competition, and political and ideological work. Why have you broken it down this way?

[Valdes] It was a way of bringing together three elements which influence the work which a person does. The committee for quality control is the collective body in an area which has the function of raising quality within its radius of action. In connection with socialist competition two of its principal aspects should be production and quality. Regarding political and ideological work, one of the tasks which organizations must have is to convince themselves that the system is correct. As a result, they will later be able to persuade everyone to do this.

Pozo, we emphasize working with people because no system has been, is, or will be good if the people who implement it do not make it a part of themselves both out of necessity as well as to ensure satisfaction in order to better serve the society in which they live.

Premises of the Productive Process

[Pozo] Considering human beings at their very core, in terms of the importance of motivation and the atmosphere which surrounds them, do you not think that we should establish for them a framework made up of the premises of the productive process which will have an influence on the quality of their production?

[Valdes] We should emphasize that the first consideration is the organization of production. The whole system of managing an enterprise is built on it. It is what guarantees the broad profile, the eight hour day, proper working standards, and an adequate salary, so that the workers time can be fully used, since time is the most useful resource which the worker possesses. To meet these conditions, a leader is needed for the work team (or brigade), in the dual capacity as a worker and a leader. He must bring his collective work group to the requested site on time, he must train it, and he must certify its production so that the workers can be paid. He is the sergeant of production.

[Pozo] Are you sure that he will react in that way, as a leader?

[Valdes] I know what you are getting at: a pseudo brotherhood, a feeling of relationship, the socialism which has been seen here. Of course, he needs a different type of job making it possible for him to understand his function. This will not be accomplished merely by raising his salary. Rather, he must be motivated to carry out his supervisory duties with love and justice, relating it also to the results of his work area.

Quality Guarantee, Not Control

[Pozo] I know that the second factor is to make clear that your concept is quality guarantee, not control. We need further clarification from you on this technical aspect. We are waiting to hear your views.

[Valdes] The concept of quality control involves a quality inspector, who accepts or rejects a product. However, he does so from outside the organization, as it were. He is not involved in the productive process but is rather a parallel element in it. This position of checking the product leaves him with little responsibility to the other workers for the product or service. Often he is regarded as an unavoidable evil. The consequence is that they assign to such work not the most capable or the highest regarded worker, but quite the contrary. Perhaps another element which influences his position, as a result of what has been previously stated, is that his salary is below that of the workers whose products he checks. This results in the fact that no worker wants to have the job.

On the contrary, the concept of quality guarantee implies an active function in the production process. It is concerned with the preparation of control documents, an analysis of the capacity of the process, the stabilization of the production process, and making decisions in this connection.

The worker responsible for quality guarantee is subordinate to the supervisor of the area where he works. He is a person who absolutely must have good professional training and qualifications. He is given a salary suited to his new responsibilities.

Quality guarantee makes possible an important step in the organization of the productive process: the determination of its capacity before it is turned on. Quality guarantee establishes whether the machines are capable of tolerating requirements within the accepted norms, with an economically acceptable percentage of defective production.

[Pozo] You state that another premise of quality is the stabilization of this process. What does that mean?

[Valdes] It means ensuring material conditions so that the worker can do his job adequately. This is done by

guaranteeing quality, based on his aptitude and experience, so that the process will turn out as expected. In addition to the foregoing, in connection with automated processes, stability has been achieved when its variations are known and kept within the limits set for the specified requirements.

Time for the Supervisors

[Pozo] Well, we have spoken of the premises which have an influence on quality in the productive process and on the worker who produces it. However, what about the supervisors, the managers?

[Valdes] Certainly, the supervisors play an important role in the achievement of quality. These are factors which act positively on their behavior: the salary scale, the budget for their area of responsibility, net salary, a single chain of command and individual responsibility, and the customer's representative. Despite these measures, it is not easy. It is no secret to anyone how difficult it is to ensure that supervisors or administrators accept this responsibility, and do not become lazy nor try to give away what is not theirs.

[Pozo] Regarding the first factor, salary scale, I ask myself why many people do not wish to be supervisors. And I tell myself: in most cases this is because they are not paid what their responsibilities are worth. It is not worth the trouble. How do you answer that?

[Valdes] I agree with you. I would add that among professional workers there is not much interest in assuming supervisory responsibilities. It is not a question of overstating the importance of salary, although it must be taken into consideration. When the salary scale is adequate, when a supervisor who does not work well is demoted and, in addition to moral punishment, he is also punished in a material way, when the supervisor knows that there are good workers who want his job, that he is not irreplaceable and that his replacement is available—then we are sure that he will change his attitude.

As we see it, the necessary relationship between punishment and responsibility has been violated. It is not more than what is said in the principle of socialist distribution, "To each according to his work," where both quantity and quality are included. This saying is also valid for production supervisors who have to answer for the quantity and quality produced by the group of workers under them.

Supervisory cadres are essential to obtain the necessary quality. In the first instance they are the supervisors most directly involved in production: supervisors of a team or brigade. With good leaders the plan will be carried out with the necessary quality. These are new roads to efficiency in socialism.

A Complete System

[Pozo] I hear you and respect the experience and results achieved in the MINFAR. At the same time I recall so many examples of laziness among supervisors, accommodating themselves to the situation. Well, you are a light in the darkness to clear away the shadows.

I repeat. This is a complete system, of which the sub system of quality is one piece which should play a part in the whole picture. Within this piece the budgets according to each area of responsibility ensure that each chief is reflected in figures, such as the costs of salaries, materials, and errors, which are the reason for doing the work over, with new expenditures in terms of resources and possible, unexpected payments. And for all of this the section supervisor must answer to his superior. Let us not forget that this senior leader also has to answer for the costs in his area. That implies that costs are the tools of management at all levels, where the detection of all of the problems involved in quality are included.

[Pozo] Perhaps the newest feature of your system is holding back salary payments from supervisors whose areas do not perform properly. Bring me up to date on this aspect, as this feature of your system is going to be read with great concern by many people.

[Valdes] If a section supervisor does not deal with irregularities in the system, there will be increased costs, which will endanger achieving economic targets in his area of responsibility. Such a failure to achieve economic targets will lead to withholding part of the supervisors' salaries, which will later be returned to them if their unit reaches the target not previously reached. Such a practice will ensure that quality will be found in the area under the direct attention of the respective supervisors.

[Pozo] You know, a real example would be helpful.

[Valdes] In 1988 in the Comandante Ernesto Che Guevara EMI [Industrial Installations Enterprise] part of the salary of 49 of the 64 supervisors in the enterprise, amounting to 6,914.12 pesos, was withheld for this reason. After an analysis was made at the end of 1988, the equivalent of 6,485.05 pesos was returned, since the shortcomings were corrected. However, 429.07 pesos were returned to the budget from the pay of 13 supervisors who did not overcome the relevant shortcomings.

The Customer Has His Representative

[Pozo] A word to the wise is sufficient. Well, this leaves the single management concept and individual responsibility to be covered, as well as the customer's representative. The latter is an attractive concept because in the last few years the concept of "take it or leave it" has been dominant, unfortunately. No doubt this involves a "revolution" in the present system of production.

[Valdes] Let us begin with the single management concept and individual responsibility. The supervisor of every area of production is responsible for the quality of what his sector produces. Therefore, the function of

quality guarantee comes directly under him, and he cannot use the excuse that the product was already inspected and that this is not his problem. This strengthens the single management concept, since the supervisor is repsonsible for everything which goes on in his area. In this new system there is no task which does not have someone responsible for it, nor can there be a supervisor without authority.

Regarding the matter of the customer's representative, which has attracted so much attention, he has broad powers to check the process and receive the production intended for the enterprise which he represents. This forces the producing enterprise to listen to his comments and to keep very much in mind that his enterprise is subject to external control. Take the case that in the same enterprise there are various representatives of different customers, either none permanently located in the enterprise or who visit it from time to time or on a scheduled basis. The possible variations are numerous and should be adequate for the interests of the purchaser, who is responsible for appointing and paying the representative.

Therefore, Pozo, we have completed our explanations on quality guarantee, which you have asked us for. Let me give you some advice. Trying to apply this concept without taking into account the whole system will certainly lead to failure. Therefore, we repeat that product improvement must be handled on an overall basis, helping the worker who does not know how to produce quality products and training each worker for his new functions. What is most important is achieving worker motivation through political and ideological work in which all of the administrative, political, and mass factors take part.

[Pozo] One point of clarification, Yvan. Which costs more: producing with quality or without it?

[Valdes] Let us underline some concepts. We state that quality guarantee applies to the three stages of the productive process: the stage prior to production, the production stage , and the post production stage. We have accentuated production. International experience indicates that quality apparently improves with the same equipment and under the same difficulties, if the work and the attitude of the employees have improved. This is the phase of the production process where it is possible to take immediate action. It requires investment but provides quick results.

As a final comment, we would like to point out that quality does not cost much. What is costly, very costly, is poor quality.

Grenada

Further on Waste Conversion Project

FL0609180390 Bridgetown CANA in English 1709 GMT 6 Sep 90

[Text] St. George's, Grenada, Sept 6, CANA—An American company's plan to use waste to generate electricity for Grenada has run into trouble, with the government ruling out the possibility of quick parliamentary approval. Well-informed sources said that while the government had initially agreed to the project, it could be a long time before Parliament is asked to sanction the deal because of protests here.

Public utilities minister, Phinsley St. Louis told CANA the Grenada Government will not take the electricity plan to Parliament until it was sure concerns raised by Grenadians had been settled. The American company, Waste Conversions Limited wants to produce electricity from waste. A white paper on the project is in circulation here.

"We cannot in our own conscience pass (this) in Parliament," said St. Louis, who noted opposition to the project.

The opposition New National Party (NNP) led by Dr. Keith Mitchell has opposed the project on grounds that it will pose a major threat to the environment. Other Grenadians have also reacted unfavourably to the project, said St. Louis.

St. Louis said the government would be foolhardy to go ahead with implementation of the controversial project. He is confident that the foreign firm would not want to spend money on the project since there "would be mass uproar over it."

"We on the other hand, will not want to give something to the people which we think is not good for them," he said.

The minister said the government would discuss the problems with the company "and if (the concerns) cannot be addressed successfully we would not go on with (the project)."

Haiti

CEP Sets Tentative Election Date for 16 Dec

FL0609124190 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 5 Sep 90

[Excerpts] The Provisional Electoral Council [CEP] has been compelled to make a decision under which a tentative date of 16 December has been set for elections in Haiti. The general elections can possibly be held on 16 December, but this is not without conditions; the CEP has to arrange the necessary financing. This information has been provided by CEP President Jean-Robert Sabalat.

The decision that the CEP made over the weekend to postpone the elections date is about to give rise to an electoral crisis, in addition to the political crisis, which is already acute. The candidates, who are anxious for elections, with a strong desire to come to power, have already begun screaming seriously in protest.

Seven parties within the Assembly for Concerted Action, which had asked for the elections under favorable conditions, have taken a moderate position on the matter; that is to say they respect the decision of the CEP which is the supreme authority in electoral matters. In the group of five, which had asked for elections to be held very quickly, there is a lot of anger, not very far from insults and threats against the physical well-being of the CEP. [passage omitted]

In the same way, Marc Bazin, candidate for the presidency from the National Alliance for Democracy and Progress, said in an interview on Tele-Haiti that if technical and financial factors were not really the reasons that caused the CEP to make this decision, the CEP is digging its own grave.

MDN Calls for CEP To Step Down

FL0609154390 Port-au-Prince Radio Nationale in Creole 1300 GMT 6 Sep 90

[Text] Dr. Hubert de Ronceray and his Mobilization for National Development [MDN] have openly asked the members of the current Provisional Electoral Council [CEP] to step down so that a different CEP can organize the coming elections because the CEP is not able to hold elections as its members are "into" crooked wheelings and dealings.

Political Parties React

FL0609125390 Port-au-Prince Radio Nationale in Creole 1300 GMT 5 Sep 90

[Excerpts] The State Council has reaffirmed its unwillingness to resume dialogue with the executive. [passage omitted]

Also, the MDN, Mobilization for National Development party, headed by Dr. Hubert de Ronceray, said the Provisional Electoral Council's [CEP] decision to postpone voter registration and the elections is a scandal and a disappointment.

The Reverend Sylvio C. Claude has also reacted violently against the CEP, which according to him has no intention of organizing elections in Haiti.

For his part, the president of the Party of Haitian Patriots, PPH, lawyer Francois Magloire, thinks there is a sector in the country that is against elections, that does not want elections to be held in Haiti.

Salinas Appoints Negotiator for Trade Agreement

PA0709004790 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 6 Sep 90

[Text] President Carlos Salinas de Gortari installed the advisory council for the Mexico-U.S. free trade agreement during a private meeting at the Los Pinos official residence. The meeting was attended by representatives of the country's productive sectors. The president appointed Foreign Trade Under Secretary Heminio Blanco as the official negotiator for the trade agreement.

In this regard, Luis Carcoba, representative of the businessmen, said the signing of the agremeent should be beneficial for the Mexicans, especially those who have achieved excellence in their production. Rafael Riva Palacios, president of the Labor Congress, confirmed the workers' support because the agreement represents a substantial increase in jobs. Maximiliano Silerio Esparza, leader of the National Peasant Confederation, said that those working in the Mexican countryside will receive an unprecedented opportunity to export more agricultural products to the United States.

Correction to PRI National Assembly Guidelines

WA0709135690

The following correction pertains to the item headlined "PRI National Assembly Agrees on Guidelines," published in the 5 September Latin America DAILY REPORT, page 9:

Column two, paragraph nine, only sentence, make read: ...9. Public officials who commit fraud will be impeached. [Aplicacion de juicio politico a funcionarios publicos que cometan fraude]... (rewording, providing vernacular)

Costa Rica

Nicaraguan Soldiers Said Implicated in Murder

PA0609185890 San Jose Radio Reloj in Spanish 1200 GMT 6 Sep 90

[Text] The Nicaraguan Government is conducting a thorough investigation at military posts in the Nicaraguan southern region in relation to the possible implication of two soldiers in the brutal homicide of a member of the rural guard.

Two Nicaraguan Government helicopters were sent to Nicaragua's southern region to carry out a thorough investigation to clarify the possible participation of two soldiers of the Sandinist People's Army in the murder of a member of the rural guard in Upala on 2 September.

Security Minister Victor Emilio Herrera stressed that should the reports be confirmed, it would be an isolated case, because relations with the government of Violeta Barrios are good.

According to Minister Herrera, if it is confirmed that two soldiers are involved in the criminal action, it would be an incident beyond the Nicaraguan Government's control.

However, the security and government ministers have the names of the alleged criminals. They were identified as Chavez Aburto and a man named Narvaez.

The Judicial Investigation Agency has interrogated Rodolfo Matarrita Gutierrez, who was seriously wounded in the incident. Matarrita further incriminated a Costa Rican citizen by the name of Zapata who was arrested while boarding a bus, presumably with the intention of going to Upala.

During his interrogation, Matarrita said that although he saw Zapata firing, he also heard shooting from various directions. He also said that Zapata asked him about Brown—the guard who was killed—and about a gun.

Other witnesses have also incriminated Zapata, who was seen with another individual firing at the residence of a man by the name of Castillo.

Zapata has remained silent toward authorities.

Court Overturns Agreement With U.S. AID

PA3108172890 San Jose Radio Reloj in Spanish 1200 GMT 31 Aug 90

[Text] The Executive Branch is concerned because the 4th Chamber of the Supreme Court has ruled that loan agreement PL-480 is unconstitutional. The ruling will have a direct impact on wheat supplies and several community development projects. However, there is the possibility that the Legislative Assembly may correct the flaws found by the 4th Chamber, as long as the U.S. Government accepts the changes, as the other side signing the agreement through the Agency for International Development [AID].

The court ruling means that the country will not receive over 1.4 billion colones, or the equivalent of $15 million. The agreement would allow the importation of 50,000 tons of wheat to supply the country's bread-making industry, as well as timber to prevent further damage caused by deforestation. The money from the sale of wheat would be employed to finance community development programs, such as roads; to aid small-scale coffee producers; to finance rural aqueduct systems; and for other important projects.

The deadline to import wheat and timber with the resources contained in agreement PL-480 ends on 30 September. This means that there is still time to correct the flaws mentioned by the 4th Chamber. The Executive Branch feels that the court ruling has an adverse impact in several respects, since the country will not have the foreign currency to import wheat and timber or the opportunity to include in the budget the resources generated from the sale of those products at home.

El Salvador

FMLN Attacks National Marine's Garrison

PA0709002090 Panama City ACAN in Spanish 2328 GMT 6 Sep 90

[Text] San Salvador, 6 Sep (ACAN-EFE) - A military source has reported that alleged guerrilla urban commandos attacked the Salvadoran National Marine's garrison with explosives today. No casualties have been reported.

The source reported that the rebel attack was carried out at 2215 GMT. The alleged guerillas, traveling in two vehicles, threw explosives at the garrison in southern San Salvador.

The source said that he did "not know" whether the attack by alleged members of the Farabundo Marti National Liberation Front (FMLN) caused casualties among the National Marine's rank and file.

As of this time, no clandestine organization has claimed responsibility for the attack.

At the beginning of this month, the FMLN announced that it will carry out a number of actions—which it did not specify—this month in view the celebration of the 169th anniversary of the Central American countries' independence from the Spanish crown, to be celebrated on 15 September.

The government and the FMLN are scheduled to meet next week in Costa Rica with the mediation of the UN. In Costa Rica, they will continue the negotiations they began last April in Geneva to find a political solution to

this country's 10-year conflict, which has caused the death of over 70,000 persons.

Official Says FMLN Manipulating Strike

PA0709015490 San Salvador Canal Seis Television in Spanish 0200 GMT 5 Sep 90

[Italicized passages are recorded]

[Text] The government charged today that in calling for a five-day strike, the Teachers' Front was following the orders of the Farabundo Marti National Liberation Front [FMLN].

Deputy Minister of the Presidency Ernesto Arbizu said that the teachers' strike is the result of a direct order from the FMLN. He said that the pressure from various sectors and the upcoming round of talks between the government and the FMLN is no coincidence.

[Arbizu] *There is manipulation by the FMLN. It is being undertaken by a small group of leaders who are using organizations of hard-working people for their own benefit.*

The teachers have rejected these charges. Victor Manuel Aparicio, a professor, said that the accusations indicate that reprisals are impending.

[Aparicio] *Because of the charges that have been made, we are inclined to think that repressive measures are in store for the nation's teachers.*

In the opinion of the government, the strike is adversely affecting primary school students by denying them their right to enjoy their education. Arbizu said that the government has evidence that the FMLN ordered the strike that was organized by the teachers.

[Arbizu] *We definitely have evidence. We have seized documents, and international sources have informed us about a destabilization plan by some teachers' leaders.*

The teachers believe, however, that they were pushed to strike by the government's lack of flexibility and by its neoliberal general education law, which is doing more damage than a temporary teachers' strike.

[Aparicio] *The law that has been approved is more harmful than the five-day strike we have decreed.*

The teacher's front is promoting a strike this week to force the annulment of the general education law.

Meanwhile, the education minister has said that teachers who do not hold classes will not be paid.

If the teachers' strike is not resolved, their five-day strike could become a general strike, similar to the ones in 1968 and 1971.

Dictatorship of 'La Tandona' Said Consolidated

PA0709031890 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 4 Sep 90

[Station commentary: "La Tandona Dictatorship"]

[Text] Colonel Ponce's appointment as defense minister, Colonel Nelson Gilberto Rubio's appointment as chairman of the Joint Chiefs of Staff, and Colonel Mauricio Vargas' appointment as deputy chairman has consolidated La Tandona's [reference to the 1966 graduation class of the Captain Gerrardo Barrios Military Academy] dictatorship.

The three military commanders are involved in grave cases of human rights violations. There is evidence that Col. Ponce was among those who masterminded the murder of the Jesuit priests.

After those appointments, it is clear that Cristiani's government and the Armed Forces are not at all interested in finding a political solution for the conflict. On the contrary, this shows the government's determination to keep things as they are and to use the negotiating table as an instrument to obtain what they have not been able to obtain in 10 years of war—that is, defeating the Farabundo Marti National Liberation Front.

However, this attitude by the government makes us adopt a firmer position at the negotiating table. Our position will be firmer because up to now, we have moved carefully while assessing how much determination and political willingness the government is bringing to the negotiations.

Today it is clear that there will be no willingness on the part of the government as long as it maintains its hopes of defeating us. In order to get the government to negotiate seriously, there is no other choice than to show them that they will not defeat us, and that, as long as things remain the same in the country, current changes in the world will not affect our fighting spirit. El Salvador still suffers from a military dictatorship, despite attempts to conceal the fact.

With La Tandona, not only the civilian society is under a dictatorship, but the military themselves are. La Tandona is like a sinister fraternity that functions based on loyalty pacts which are often to the detriment of other military graduates. They acquitted Colonel Roberto Mauricio Staben of his proven participation in the kidnapping of businessmen in 1986. They have sworn that they will free Colonel Guillermo Benavides, who masterminded the Central American University massacre.

For the military commanders who today have taken over total power, impunity is much more than an adjective. It is their working philosophy and their concept of the world.

We believe that Ponce's appointment is a hard blow that specifically reduces the possibilities for a cease-fire, and

in general for the negotiations. We will continue efforts at the negotiating table and fight harder on the battlefield so that our country can end the century with a real democracy.

Residents Report Foreigners Among Rebels

PA0709035890 San Salvador EL DIARIO DE HOY in Spanish 30 Aug 90 pp 2, 23

[Text] The 4th Infantry Brigade has reported that northern Chalatenango Department residents have denounced the presence of Cuban, Nicaraguan, European, and even U.S. mercenaries who are operating along with FMLN-FDR [Farabundo Marti National Liberation Front-Revolutionary Democratic Front] terrorist groups in that area.

The area's residents met yesterday with 4th Brigade Commander Colonel Roberto Pineda Guerra to tell him that they could not retrieve the body of one of the foreigners, who was killed days ago in the area, because of the rugged terrain. As a result, it decomposed and they had to burn it.

The commander reported that during his tour of the area many peasants complained that the mercenaries threatened them, demanded food, and branded those who refused to comply as "ears" and "death squad members."

The commanders added that on other occasions "the mercenaries tried to abuse the young women."

Col. Pineda reported that a peasant, identified only as Luciano for security reasons, complained about mistreatment and showed the blows he had received on his back for refusing to give food to the terrorists, who wore olive green uniforms and called themselves "militiamen."

The peasant added that he overheard the terrorists talking about the illegal arrival of terrorist mercenaries in that area from Nicaragua who use the routes of smugglers and drug traffickers to cross Honduras to reach El Salvador.

All of them, the informant added, have weapons that were obtained in Nicaragua, including FAL, AK-47, and Dragunov rifles, and "fresh" ammunition, which means that they are still receiving weapons from the Sandinists.

As for the presence of FMLN-FDR terrorists in the vicinity of repatriated settlements, the peasant said that the aim is to keep close ties with children who are about 10 years old. These children are then recruited and trained for terrorist actions.

Col. Pineda expressed satisfaction regarding the peasants' cooperation with the Army and added that this shows their contempt for the terrorists.

As for the incident in which two priests were injured, the military leader said that according to the investigations, the attackers were FMLN-FDR sharpshooters because there were no troops in the area where the incident occurred.

Commenting on the FMLN-FDR threats to launch another offensive, Col. Pineda said that it is part of the terrorists' psychological war in keeping their image alive and generating propaganda, given the seditious groups' deterioration and decadence.

He added that "the FMLN-FDR knows that violence is their reason for being and that renouncing it is tantamount to losing their identity; this is why they do not care about the peace talks."

Guatemala

Officials Deny Rumors of Military Uprising

PA0609170090 Guatemala City PRENSA LIBRE in Spanish 5 Sep 90 p 2

[Text] Yesterday, Vice President Roberto Carpio Nicolle, Deputy Defense Minister General Raul Molina Bedoya, and Army spokesman Colonel Carlos Duran Hernandez denied rumors of military uprisings at two garrisons, supposedly to disrupt constitutional order.

Vice President Carpio Nicolle said that all government activities were normal and "only a crazy person could be thinking of a coup d'etat when we are on the eve of general elections."

Deputy Defense Minister Molina Bedoya stated that no uprisings have taken place in military garrisons in Guatemala City or in the country's interior. He also said that military command changes were merely routine activities.

On the same topic, Army spokesman Col. Duran Hernandez said that there had been several explosions at general headquarters in Guatemala City. The explosions occurred when outdated war materiel was incinerated.

However, information received from the interior of the country indicates that military troops in the Poptun, Peten, and Zacapa Zones have begun an uprising.

It was also reported that top Army commanders met at the Military Studies Center, CEEM, at 1400 on 4 September. As of the time this newspaper edition goes to press, our offices have received no official information on the meeting.

The Army Public Relations Office scheduled a news conference for today. It will report on the military's latest activities and confirm or deny rumors that have been circulating since yesterday afternoon.

A call was received at the PRENSA LIBRE offices. The caller stated that honor guard soldiers had attacked the home of General Juan Jose Marroquin, chief of the General Staff, as Marroquin was transferring his post to General Roberto Enrique Mata Galvez.

According to the same source, General Marroquin's relatives were left in the house under arrest and security guards were arrested and taken to the honor guard headquarters.

Rios Montt To Continue Struggle for Registration

PA0609162890 Guatemala City EL GRAFICO in Spanish 31 Aug 90 p 7

[Report by Ricardo Gatica Trejo]

[Text] Guatemala City, 31 Aug—During a news conference at his home in the Tecun Uman neighborhood, General Efrain Rios Montt yesterday asked his followers not to publicly demonstrate. He said that he "has been politically assassinated," but that he will nevertheless continue his efforts to have his name registered as a presidential candidate.

During the press conference, which had been postponed four times over the course of the day, the ex-head of state said that, in view of the resolution issued by the Supreme Electoral Tribunal [TSE] dismissing the nullity recourse he had filed, all he had to say was that "everything had been agreed upon and there is nothing new."

He added: However, we will continue our struggle within a legal framework (he recalled that the TSE had been created under the law) until the procedures that the Constitution stipulates for our registration as candidates have been exhausted. Elsewhere in his remarks, Rios Montt said: "Our human rights are being violated, but we cannot ask for the impossible. Despite everything, we will continue our struggle because leadership is not just a flowery word, but a reality. The leader dies before the soldiers do."

The general accused those in charge of the electoral process of being in collusion with the government and said that everything is set for fraud.

Finally, Rios Montt said: I am very sorry, but this is a defective electoral process in which there is no room for us to act according to law, because the doors are systematically being closed before us, without true analysis of juridical situations. If the opinion of lawyers who are not "positioned" for a deputy's bench are taken into consideration, it can be seen that the situation is entirely different from what the government has presented.

Judge Comments on Amnesty for Rios Montt

PA0609195190 Guatemala City PRENSA LIBRE in Spanish 5 Sep 90 p 4

[Text] The amnesty that the Jutiapa judge granted to General Jose Efrain Rios Montt is applicable to criminal activities only, Edmundo Vasquez Martinez, president of the Supreme Court of Justice, said on 4 September. Vasquez flatly refused to comment on this in depth.

I have not studied the matter. All I have is a telegram. I cannot express an opinion because the only information available is the text of the communication by the Jutiapa judge, Vasquez added.

Asked about the applicable procedure when a person seeks protection via amnesty, Vasquez said the person involved should go to the courts. The authorities then proceed in accordance with Article 2 of Legislative Decree 32-88 and the Criminal Code.

The amnesty deals with criminal activities and is governed by the Criminal Code, which defines amnesty, he concluded.

Nicaragua

Finance Minister Announces Wage Increase

PA0609000290 Managua Domestic Service in Spanish 1344 GMT 5 Sep 90

[Text] The Nicaraguan Government, through Finance Minister Dr. Emilio Pereira, has announced salary hikes of up to 30 percent for public workers during the month of September.

The government's Employment and Salaries Commission—formed by Finance Minister Emilio Pereira, Central Bank President Francisco Mayorga, Labor Minister Francisco Rosales, and Economy and Development Minister Silvio De Franco—has agreed to maintain the minimum wage at 50 gold cordobas for each state worker, thereby getting rid of speculations that in September each government worker would receive 50 percent of his salary in gold cordobas.

In exclusive statements to Radio Nicaragua, Pereira promised to completely pay the government sector between 11 and 13 September. He also discussed the reclassification of positions that represents a reorganization of aproximately 65,000 workers.

[Begin recording] [Pereira] The government's Employment and Salaries Commission has decided:

1. To increase wages by 34 percent for all existing categories for the month of September. This wage increase will be based on the amount of old cordobas workers received in August.

2. Taking into consideration that in the next few days Nicaraguans will commemorate the national holidays, the Employment and Salaries Commission will make an extraordinary effort to pay state workers their full wages between 11 and 13 September.

3. The government has decided to establish a 50 gold cordobas minimum wage in the public sector.

4. Workers will receive up to 50 gold cordobas in wages and the remainder in old cordobas.

Signed by Francisco Mayorga, Francisco Rosales, and Emilio Pereira. Dr. Silvio De Franco, who is currently out of the country, did not sign the agreement.

[Reporter] Dr. Pereira, the people want to know... [changes thought] you said workers will receive 50 gold cordobas. It had been said before that 50 percent of the wages would be paid in gold cordobas and the other half in old cordobas. Why has the government decided to only pay 50 gold cordobas to each worker?

[Pereira] In reality, the government is sticking with the salary policy it had previously announced. The government never announced that it was going to pay workers 50 percent or a larger percentage in gold cordobas. We would have to determine the source of this report because the Employment and Salaries Commission, which is responsible for handling salaries and forms of payment, has not issued any official pronouncement on this.

In September the government will pay workers as follows: You have to add 34 percent to the total of old cordobas that were paid last month. This amount of money will be completely paid out in the second week of September. It is important to stress that this will be the entire amount because—as a result of the agreements with the FNT [National Workers' Federation] following their second strike—in July and August the government paid only half this amount of money at one time, adversely affecting the purchasing power of workers, who got paid very late.

We are going to make only one payment between 11 and 13 September. A portion of this total will be converted to gold cordobas so that the minimum wage will stand at 50 gold cordobas and the remainder will be paid in old cordobas between 11 and 13 September.

The important thing is that, according to the new stabilization program of the Central Bank that establishes devaluations only once a week, workers will receive 50 gold cordobas, and they will have a week to exchange those cordobas without being subject to devaluations. Workers will also receive the entire amount of their wages during the second week of September. By doing so, the government advances a salary policy that is not the result of strikes and other types of pressure.

[Reporter] Dr. Pereira, Dr. Francisco Rosales has said that the reclassification of government positions will be effective in September. What can you say about this?

[Pereira] The reclassification of government positions is divided into three periods. The first period has already come into full swing. It consists of reassigning each person in the function that corresponds to that person. For example, there are currently 875 government positions when there should normally be about 50 positions. [sentence as heard] This means that there are secretaries who have been appointed as drivers or clerical assistants who have been appointed as engineers. This mix-up resulted because the positions were given based on the vacancies that were available and not those for which people were suited.

First, we need to assign each person to his corresponsing functions. This represents a considerable amount of work because we are talking about the reclassification of over 67,000 people. However, we have already started doing this, and we are going to finish in September. [end recording]

Arce Says FSLN Will Work With Government

PA0609003090 Hamburg DPA in Spanish 1806 GMT 5 Sep 90

[Text] Mexico City, 5 Sep (DPA)—Nicaraguan Commandante Bayardo Arce has said in Mexico City that the Sandinist National Liberation Front (FSLN) will participate in a constructive manner in the concerted social efforts that Violeta Chamorro's government will make, because in Nicaragua "we either join the efforts or sink."

In an interview published by the Mexican newspaper EXCELSIOR, the Sandinist leader said that the coordinated social, political, and economic efforts that the Nicaraguan Government and the opposition could make—based on mutual respect for their corresponding views—are absolutely necessary to bring the country out of the crisis. They would be the best way to correct and heal the errors and wounds of the past.

Bayardo Arce, coordinator of the FSLN Political Commission, who attended the 14th National Assembly of the ruling Institutional Revolutionary Party of Mexico (PRI) as a guest, said: "I believe that to find sensible and logical agreements between the government and the opposition should now be our strategy to take the country forward."

While clarifying the FSLN position before the Nicaraguan Government inaugurated on 25 April after the Sandinist electoral defeat, Arce stated that his party is willing to conduct a systematic opposition to the new administration to point out its mistakes and defend the achievements of the Sandinist revolution.

However, Arce warned that the FSLN cannot act "like the traditional leftist parties that are always trying to profit from the government's mistakes to obtain political clientele." Bayardo Arce stressed that this attitude "has been overcome already."

In his statements to EXCELSIOR, Arce warned about the danger of "the ghost of Somozism, which lives among the recalcitrant groups of the ultraright." Arce voiced his concern about the absence or scarcity of foreign assistance from the United States, Western Europe, and the Arab countries to help in the reconstruction of Nicaragua.

FSLN Managua Department Elects 2 Coordinators

PA0709030290 Managua BARRICADA in Spanish 3 Sep 90 pp 1, 5

[Report by Sylvia Torres]

[Text] The elections of the Sandinist National Liberation Front [FSLN] in the Managua Department concluded with the election of Dora Maria Tellez as coordinator and that of Victor Hugo Tinoco as deputy coordinator.

Ten of the 35 members of the departmental committee, who had been chosen as hopefuls in the elections held in sectors and territories, were also elected in the assembly held at the Sandino Memorial Building. The meeting was also attended by 2,086 Sandinists who were elected rank and file delegates.

Without "quick vote counting" or "opinion polls," the first sign of Tellez' overwhelming popularity was obvious the moment she was presented. When her candidacy was announced, the entire audience stood up, applauded, and shouted: Dora! Dora!

Then 26 candidates were presented, from which the assembly would elect 10. A second vote would decide the departmental coordinator and a third vote would decide the deputy coordinator.

Tinoco also appeared as a strong competitor from the beginning. Darma Lila Carrasquilla and Father Fernando Cardenal declined to be candidates.

Danilo Aguirre Solis ran for EL NUEVO DIARIO. Roger Sanchez, William Grigsby, and Carlos Mejia Godoy, who were proposed by the university community, did not run because of procedural errors.

Carlos Fernando Chamorro, BARRICADA director who was proposed in the assemblies of districts three and five, was backed by Father Cardenal and Miguel Obando, delegate from San Rafael del Sur. Father Cardenal pointed out that Carlos Fernando "never boasted about the paper he directs." Father Cardenal highlighted the journalist's work for the people's unity and the FSLN.

Quickly and without the unending defenses that have made some previous assemblies interminable, the voters filled up their tickets and inserted them into cardboard boxes.

The coordinator was then elected. Once it was reported that Tellez had received 1,325 votes, the electoral committee proceeded to elect the deputy coordinator. This election was more bitter than the previous one. Carlos Carrion, Father Miguel D'Escoto, Damaso Vargas, and Victor Hugo Tinoco were the candidates for this postion. Tinoco was elected with 1,338 votes, or 72 percent of the total.

On opening the electoral assembly, Commander Daniel Ortega, National FSLN Coordinator, said that the main role of the organization is to defend the revolution.

Ortega said: "What use would it be for the FSLN to achieve power in 1996 if there are no more revolutionary goals?" He said that to defend these goals is an everyday task. He said that the FSLN is not an electoral party but that it did battle when it was necessary.

The leader said that, apart from the electoral defeat, the new conditions which the country had started to experience demanded that the FSLN progress in the democratization of its rank and file. He said that this task was announced prior to the 25 February elections. "The democratization will be shown by the way the FSLN relates to the people so that the people can make themselves heard," he said.

After admitting that the election process was less than perfect, Ortega said that this is an historical experience. The commander said that when he entered the assembly and greeted labor leader Pablo Martinez Viquez, he remembered a "mini-congress" held clandestinely by 14 companeros after the guerrilla experience of Raiti - Bocay.

"The National Directorate has no candidates. It is up to you to make the election," said Ortega when he invited the attendants to cast their votes.

About five hours later, when the final results were announced, a blushing second-in-command advanced among the applauses, hugs, and hand-shaking of the delegates to assume—together with Tinoco—the leadership of the Managua Sandinists.

Tellez, who said that the FSLN was the great winner of the day, pointed out that she and Tinoco will occupy their positions until the first FSLN congress is held, when the two officials are to report both to those who elected them and to the National Directorate.

Tellez said the main task ahead will be to tackle the people's struggles—regardless of whom they voted for—and strengthen democracy in the organization. She lashed out at the tendency of some members to remain isolated and said that the main consequence is "deafness." She called for a broad political discussion to achieve consensus within the party ranks.

Tinoco said that the main task ahead is to listen to the people and outline a specific line of action. He said that one of his main interests is to strengthen the FSLN's unity. "This election puts a great responsibilty upon my shoulders," he said.

Tinoco is a member of the Regional Electoral Committee in which more than 20,000 Sandinists participated—11,000 of which voted in various elections. Tinoco said that the Managua experience—its errors and successes—will be very important for the congress.

Chinandega Residents Surround Radio Station

PA0609184090 Managua Radio Sandino in Spanish 1200 GMT 6 Sep 90

[Text] Radio 19 de Julio has not fallen into UNO's [National Opposition Union] hands.

Neighborhood residents close to Radio 19 de Julio have remained near the station all night to protect the facilities. This was reported by journalist Gregorio Escoto, president of that radio station's employees union.

Their action came after UNO Councilman Ricardo Delgado Ramos arrived yesterday at 1700 with a policeman and a judge in an attempt to take over the station, which is currently rented by a group of workers.

Escoto said that the workers who were inside the station did not open the door and informed the neighbors of the situation. Residents in the area immediately surrounded the facilities located in the downtown area and proceeded to burn tires at nearby intersections.

Captain Aguilera of the Chinandega Police also tried to enter the station, but workers did not let him in since he did not have with him an official order.

The situation at the 19 de Julio radio station is being promoted by UNO leaders who are trying to ignore a 5-year lease contract between the mayor's office and the Chinandega Radio Enterprise headed by journalist Alberto Jarquin, the station's current director.

Godoy Defends Support for Cuban Democratic Party

PA0609204990 Managua Radio Catolica in Spanish 1130 GMT 31 Aug 90

[Text] Vice President Dr. Virgilio Godoy has said that it is inappropriate to say that his support for the party that is being formed by Cuban exiles represents Nicaraguan intervention in the affairs of other countries.

[Begin recording] [Godoy] Other national political leaders and I have signed a declaration of support in favor of the group of Cubans who have come to Managua to simply announce the functioning of a new political party that is called the Cuban Democratic Party [PDC]. This party has been formed by people who are inside and outside of Cuba to prepare for the possible arrival of democracy in Cuba, a country that has suffered so much under the long totalitarian dictatorship of Fidel Castro Ruz.

I do not think that signing this declaration of support for the Cuban efforts can be interpreted as intervention in the affairs of another country. Many times I have heard Mr. Castro speak very badly of everyone from Havana [words indistinct].

In this case, it is not a matter of speaking badly of Mr. Castro, but rather of expressing support for a movement that has set as its goal seeking Cuba's democratization and being ready so that when the ice thaws they will already have sufficient bases and appropriate experience to effectively conclude this democratization.

[Reporter] What can you tell us of the UNO meeting that is said to be decisive and during which reorganization will be discussed?

[Godoy] I think this problem will take a few more weeks of work because some documents are being reviewed and the first part of the discussion will begin tomorrow. But it has been said that normally the political council meets for two hours and this will only [words indistinct] the first topic of the many on the agenda. Naturally, [words indistinct] on the work because it is a matter of giving the alliance better consideration, more efficiency in its work, and a more solid structure, which it still lacks. At the same time we would like to resolve other critical problems, such as finances, because there are indeed parties that talk too much; they talk and talk but when it is time to contribute to paying UNO's expenses, then [words indistinct] and agreement.

Many topics will be discussed and will end in the signing of a new charter or a new document that will give a more permanent nature to the alliance. [end recording]

Honduran Group Arrives To Discuss Border Issues

PA0509233290 Managua Domestic Service in Spanish 1300 GMT 5 Sep 90

[Text] Honduran Foreign Minister Mario Carias Zapata arrived in Managua on the night of 4 September. Foreign Minister Carias has come to Nicaragua to meet with his Nicaraguan counterpart Engineer Enrique Dreyfus.

The main purpose of Foreign Minister Carias' visit to Nicaragua is the formation of the mixed Honduran-Nicaraguan commission that will be in charge of studying and solving the border quarrels between the two countries and the frequent incidents between fishing and coastguard vessels in the jurisdictional waters of the two countries.

Carias Zapata was welcomed by Foreign Minister Dreyfus at the Augusto Cesar Sandino International Airport in Managua. Carias said that relations between Honduras and Nicaragua are good and are improving.

Foreign Minister Carias Zapata is accompanied by Navy General Staff Chief Colonel Cristobal Cano; Legal Advisor Guillermo Perez; and Andres Balladares, a high-ranking official of the Honduran Natural Resources Institute.

Joint Commission Established

PA0609200290 Managua Radio Sandino in Spanish 1200 GMT 6 Sep 90

[Text] Nicaraguan and Honduran Foreign Ministers Mario Carias and Enrique Dreyfus, respectively, signed

an agreement in Managua on 5 September to normalize fishing activities in the Gulf of Fonseca and in the Atlantic Region.

Carias and Dreyfus installed a joint commission to handle territorial problems between the two Central American nations.

During the past weeks, there have been problems concerning illegal fishing in that area, which thank God [words indistinct].

The foreign ministers agreed to meet again in November in Tegucigalpa.

Panama

Panama City Mayor Criticizes Government

PA0609224190 Panama City EL PANAMA AMERICA in Spanish 6 Sep 90 p 6A

[Article by Panama City Mayor Guillermo Cochez]

[Text] A superficial analysis of what is happening in the country allows us to see a government experiencing grave domestic and foreign problems. There is a growing insecurity stemming from, among other things, a number of changes in a Public Force that is somewhat demoralized. It is demoralized partly because of a lack of understanding from the citizens and partly because it has not been very effective. There is an economic situation that is waiting for the government to implement a realistic, vigorous, and fast development plan capable of satisfying the expectations of all the sectors that produce wealth. There is an efficient [as published] judicial and investigatory system that is far from being what the Panamanians have been expecting for 21 long years. The degree of credibility in the government keeps going down because it appears that there is not enough coherence among its components.

If we want to know more about what is happening in the government, we can do so just by looking at the newspapers' front pages. The front pages make it clear that the people feel that there is an executive branch that does not resolve problems especially because its members maintain a permanent struggle for the hated political positions. The people feel that this is a government whose main conception is not very different from that of the authoritarian regime of Manuel Antonio Noriega. This government is concerned only with placing relatives and friends in high positions. Everybody does as he or she pleases without thinking about common objectives—the objectives we so often said the military regime did not have and the objectives for which we would do away with tyranny forever.

Grave events have worsened the situation. The most recent of these events alarmed the people because it was strange to see how the three smallest parties of the government alliance allied themselves with Noriega's party, the PRD [Democratic Revolutionary Party]. That was the only way those parties could defeat the largest party, the Christian Democratic Party [PDC]. The people view this decision as an act of treason against the civic struggle that defeated the dictatorship. The struggle is being disregarded not to control parliamentary presidency positions, which are temporary and circumstantial, but to exclude the PDC from the presidency. To achieve this, the votes of six PRD legislators—including three who have allegedly committed serious crimes and who are facing demands that their parliamentary immunity be lifted—were required.

The people are wondering: Is it possible that now Elias Castillo, Balbina de Perinan, and Alberto Aleman Boyd will not have to worry about their immunity status ever being lifted? Will people like me who have dared file charges against people like Elias Castillo be persecuted for having done that? Has this matter been resolved with the initiation of a legislative process that will consider holding judicial sessions to consider suspending the parliamentary immunity status of Castillo, Perinan, and Aleman Boyd, which could open in the near future the possibility of doing the same in the case of Rognoni?

The developments at the assembly are worrisome, but is it not also troubling that the official legislators, except for the PDC's, played this game knowing full well that the most important objective at this moment is to safeguard and strengthen democratic institutions and that doing so is important in maintaining the government alliance in which the PDC has 26 of the 51 official legislators? Or is it that certain government sectors believe that the alliance is so solid that they can do without some of groups that led Guillermo Endara and the Civic Democratic Opposition Alliance [ADOC] to victory? We all know that because this alliance is not solid, the PRD fished in troubled waters by voting, as Legislator Artola said on television, for the ADOC sector that "best serves its interests." Besides the assembly, there are other situations that worry us, such as a vice president calling policemen homosexuals, a minister preventing important businesses from establishing an emergency plan to create temporary jobs, which the people need so much; another minister commenting against the economic plan submitted by one of his colleagues in the cabinet; a minister challenging another as if engaged in a struggle to determine who does a better job or who shouts louder and says more macho-type epithets. Like many others, I spent 21 years waiting for changes, once the opposition reached power. I was honored to be appointed mayor by the president and have occupied this post since the downfall of the dictatorship. Since then, I believe that I have given an example of official cohesion by cooperating with all the entities that I have worked with, such as: the police, the Panamanian Tourism Institute, the Commerce Ministry, the Agricultural Development Ministry, the Agricultural and Livestock Marketing Institute, the Treasury Ministry, the Institute of Natural Renewable Resources, the Ministry of Planning and Economic Policy, the Government and Justice Ministry, the Transit and Transport

Office, the Governor's Office, Health Ministry, the Institute of Hydraulic Resources and Electrification, and the National Telecommunications Institute, to mention only a few. With all the institutions that they have worked with, the municipality and its employees have always acted without selfishness and hesitation, but with firmness and responsibility. We have paid no attention to partisan affiliation and have acted as we should because we are one government.

That is what the country is demanding and wants. Are the various government groups doing this? Are we showing the seriousness expected from rulers after 21 years of government hypocrisy, administrative chaos, organized disorder, a rampant bureaucracy, misuse of state resources, obvious ineptitude, theft of government property, and improvised government actions? People expected us to have a serious and responsible government with tested and capable people and self-control that would place the fatherland's interests above everything else. The people wanted new leaders who were willing to make significant changes, seriously change attitudes, and who would be willing to work without delay. Each official can decide what he should do, however, I believe that the government is not displaying the best image and the people will make us pay dearly for this. The people definitely deserve something better from us.

Endara Reacts to Mayor's Comments

PA0609230390 Panama City Telemetro Television in Spanish 2139 GMT 6 Sep 90

[Text] President Guillermo Endara is surprised that he has not received Mayor Guillermo Cochez' resignation. This morning Cochez published an article in which he pointed out that Endara's government is not much different from those under Noriega's authoritarian regime.

A few minutes ago, President Endara was interviewed during a visit to the Planning Ministry.

[Begin recording] [Jose Hernandez] Mr. President, this afternoon a letter of yours concerning Mayor Guillermo Cochez was published. Have you received a letter of resignation from him?

[Endara] No, I have not. I must point out that he is a top level official. I consider the Panama District mayoralty to be almost a cabinet level post. I do not see how he can speak that way about the government and yet be involved in the government at such a high level. He even compared the government with the government of Noriega.

I, of course, totally disagree with him, but this disagreement is not the source of my worry. My worry is prompted by the fact that he is involved in this government and I thought that he was going to resign. This is why I asked him what happened. Why is it that I cannot find his resignation anywhere?

[Hernandez] In this case, how long will you give him to resign, or will you fire him?

[Endara] No, no. I am not going to fire anyone. I only want him to state if he no longer wants to be in the government or whether or not he wants to resign. If not, he must say why he is remaining in a government which he says is just like Noriega's. [end recording]

Letter to Mayor on Resignation

PA0609225790 Panama City Cadena Exitosa in Spanish 2212 GMT 6 Sep 90

[Letter from President Guillermo Endara Galimany to Panama City Mayor Guillermo Cochez, in Panama City on 6 September]

[Text] Mr. Cochez: I have carefully read the article you published in EL PANAMA AMERICA newspaper on 6 September, under the heading: Where Is the Government Leading Us?

From the moment I read it, I have kept a close watch on the correspondence brought to my office. I am surprised that I have not yet received your resignation from the post you are currently holding in a government which, in your opinion, is not very different from the authoritarian regime of Manuel Antonio Noriega.

Inform me if your resignation has been misplaced while enroute so that I can take the necessary steps to find it.

Acting Police Chief Views Reorganization

PA0609205090 Panama City EL SIGLO in Spanish 6 Sep 90 pp10, 42

[Report by Aneldo Arosemena]

[Text] Acting National Police Director Ebrahim Asvat has told EL SIGLO his stay in this post will be temporary, until the president names someone for the job. Asvat added that the decision to appoint a civilian, or a military man again, is up to the president.

In addition, the official, who is also the Government and Justice Ministry's Institutional Director of Public Security, said his predecessor, Fernando Quezada, is still in the police because he was dismissed as chief and not from the institution. Asvat noted the institution is seeking new military functions for Quezada.

Asvat, 35, who graduated from the Santa Maria La Antigua University and has a doctorate in law from Harvard University, stated he acquired his experience in the field of public security in the eight months he served as Public Security director and through his liaison with other security organs. "The director's functions are basically of an administrative nature. I believe I have the administrative background to do a good job. Let us hope so. Public security has a great deal to do with the law, and, in this respect, I believe I have the academic preparation for it," he stated.

He commented on the uncertainty that may exist among the members of the police because of the changes in command. First, Colonel Eduardo Herrera was retired, and Quezada was removed less than a month later. Asvat said this "is very normal in an institution that is undergoing a transformation and metamorphosis. That situation is normal, and it happens in any state agency or private business. Wherever there is a transformation program, uncertainty is felt; that is very human. As officials establish the state's policy on public security, there will be no problem," he remarked.

Asvat also stated the transformation of the Panama Defense Forces into a Public Force begins with the appointment of a civilian director. That will have repercussions on all the members of the institution, because many of them are military, and the decision was made not to accept more military men into the National Police. The official said everything is heading toward the creation of a police institution that will have work guidelines to fulfill its job. He said he is the Institutional Director of Public Security, and that President Endara is expected to name another person to head the police at the opportune time.

Foreign Minister on Legal Assistance Agreement

PA0709001590 Panama City Circuito RPC Television in Spanish 1730 GMT 3 Sep 90

[Text] Panamanian Foreign Minister Julio Linares has said that the case of former PRD [Democratic Revolutionary Party] legislator Luis Gomez, who sought refuge at the Cuban Embassy in Panama, is getting worse because the authorities have issued an arrest warrant against him.

[Begin recording] [Linares] The departure of the Apostolic Nuncio, which all Panamanians deeply regret because of the positive work he has conducted in our country, will not change the situation of the person who sought refuge at and remains in the Nunciature.

[Reporter] Has there been any progress in the bilateral talks regarding judicial assistance?

[Linares] About what? Oh, you mean the legal assistance agreement. That issue is currently being studied by the Foreign Ministry and one of its advisory bodies, which in this case is the National Foreign Affairs Council. As soon as the National Foreign Affairs Council presents its view on this case, I will send a draft agreement to the groups that are interested in this matter. They can shed some light on this issue. I will not even wait for the presentation of the draft agreement; I am trying to gain time and I have already started the consultations with the various groups. In fact, on 5 September I will meet with representatives of the Panamanian Banking Association. [end recording]

Panamanian Foreign Minister Julio Linares also discussed Panama's current diplomatic relations with Cuba.

[Begin recording] [Linares] If Cuba continues its harassment campaign against Panama, we will have to break off relations in the long run, although we have made great efforts to avoid taking such an extreme measure.

[Reporter] What can you tell us about the situation of former paramilitary man Luis Gomez, who sought refuge at the Cuban Embassy?

[Linares] As far as the Foreign Ministry is concerned, Luis Gomez' situation remains unchanged. In fact, his situation has worsened now because the authorities recently issued an arrest warrant against him. I believe his file and the evidence presented against him are more serious now than a few weeks ago. [end recording]

Civic Crusade Chief Opposes PRD Influence

PA0609215790 Panama City EL SIGLO in Spanish 6 Sep 90 p 15

[Report by Yali Enrique Pitti]

[Text] Panamanian Civic Crusade leader Jose Raul Mulino has said: "We can no longer let the PRD [Democratic Revolutionary Party] and its minuscule and reduced parliamentary faction be the group that determines the fate of the Legislative Assembly. The country has been harmed by recent events that have taken place since the Legislative Assembly elections."

Mulino said that the events that have taken place since the election of the new Legislative Assembly president are regrettable and sad. He said that even though political quarrels can take place in a democratic country—mainly between the ruling and the opposition parties—our country is currently in no condition to experience these types of political quarrels.

Raul Mulino said: "It is sad to see how the PRD decided on the composition of the Legislative Assembly Board of Directors. That cannot be tolerated by the country and the Panamanian people. The same ones who inflicted so much harm in the past must not be the ones that continue to determine the fate of the Legislative Assembly because of surmountable disputes among the parties and friends of the government alliance."

The Civic Crusade leader said that the Panamanian people are already experiencing too much anguish without having to put up with political disputes that do not contribute to the peace and tranquility that the country needs to begin its development process, which is currently the country's basic task. Mulino said: "There will be time for political quarrels, but this is certainly not the time for them. Our country does not deserve that now."

Jose Raul Mulino stressed: "I think it is time for all the friends of the Civic Democratic Opposition Alliance to get together to overcome their differences and strongly embrace each other. It is time for all the ruling parties to work together in the Legislative Assembly."

PRD Leader on Discontent, Unlikelihood of Coup

PA0709002990 Mexico City NOTIMEX in Spanish 1210 GMT 6 Sep 90

[Text] Panama City, 6 Sep (NOTIMEX)—There is no military force in Panama capable of toppling the government and no political groups are interested in doing so, said legislator Mario Rognoni, top leader of the opposition Democratic Revolutionary Party [PRD].

Rognoni, leader of the minority bloc in the legislative assembly, has told NOTIMEX that what does exist in his country is "great discontent over the government's failure to take care of social problems."

The PRD excutive director reiterated that the current situation "will not result in a coup or overthrow attempt, but it can result in a number of street demonstrations that would fall in line with the democratic system." Rognoni, a former minister, reiterated that the current regime "is not legitimate but de facto," but he stressed that the "conditions do not exist for new elections."

"Right now, we cannot think about new elections, given the very high economic cost for a country that was totally overwhelmed economically and morally by the military invasion," he remarked. Panamanian President Guillermo Endara took office just minutes after the armed intervention by the U.S. Army which toppled the Manuel Antonio Noriega regime and almost totally dismantled the PRD.

"If the government exists because of that fact, then the least Panamanians can do is to work to make the country move forward," he added. The legislator stressed that the PRD members, as the opposition, "have no interest in derailing Panama's democratic effort." "We can work perfectly well in democracy, criticizing and denouncing the government's mistakes while contributing to solutions," he remarked.

On the matter of the infighting among members of the ruling Democratic Civic Opposition Alliance (ADOC), Rognoni said that President Endara has taken too long in reshuffling his cabinet. "I do not understand why Endara has not taken control over his own government by appointing more ministers from his party (Arnulfist Party)," he noted.

There is only one Arnulfist in Endara's cabinet, whereas the Christian Democratic Party of First Vice President Ricardo Arias Calderon has five, and the Nationalist Liberal Republican Movement of Second Vice President Guillermo Ford has four, and the Authentic Liberal Party has two. Regarding the U.S. military presence in Panama, Rognoni said that as 20 December draws nearer "we will see greater interest on the part of the United States to leave." [sentence as received]

Editorial on Deteriorating U.S.-Panama Relations

PA0509222490 Panama City EL PANAMA AMERICA in Spanish 5 Sep 90 p 4A

[Editorial: "A Deterioration is Perceived"]

[Text] A gradual, progressive deterioration in relations between Panama and the United States has been perceived in the past few months. It would appear as if there is no harmony or understanding between the two nations to bolster and strengthen a special relationship which, in our opinion, should exist and which we have advocated in the past. That special relationship must develop judiciously and sensibly between the two parties because it is not a one-way, but a two-way street.

The need for relations between our two countries to be harmonious is made more urgent and significant in view of the Persian Gulf world crisis. World attention is concentrated on that region. Whether we like it or not, to the same extent that the Gulf crisis requires priority attention by the United States and Europe and the threat of a world conflict looms, the "Panama case" is gradually phasing out in the financial centers. The cost of repairs in the Middle East and in the Far East will be tremedndous and whoever does not appreciate the indirect impact of those costs is straying from the truth.

Some Latin American countries described the 20 December events as a U.S. "invasion" of Panama. The Panamanians violently protested the term and for months some sister countries of the continent abstained from recognzing the democratic government because Panama was "invaded" by U.S. military forces. The Panamanians—at "least an appreciable sector of citizens—described the U.S. participation as a "liberation" of the democratic forces from the drug tyranny and its accomplices in crime.

The term "invasion" raises several questions that must be asked of the citizens. If we were "invaded," why did not the government denounce it before the United Nations, as Kuwait did recently? Why has Panama not asked the U.S. Government during these long eight months to immediately withdraw the troops and advisers observed patrolling the streets and coasts, especially if they are labeled "invaders."

The U.S. position is that such proposals are not constructive at this moment. Delivery of a donation, not a loan, in the sum of $420 million on the part of the United States is pending the negotiation of certain terms. Nonetheless, each individual has the right to his opinion. To think that Panama will be getting a loan of $420 million in a blank check may be what some persons would call a sensible action.

In our opinion, the deteriorated relations with the United States might harm the country's economy. We respect the opinion of those who think otherwise. What is worse, in our opinion, is that the sources of money and credit have depleted appreciably since last 20 December with the collapse of communism and the credit demands

in Eastern Europe and the Soviet Union. As if this were not enough, we now contemplate the grave situation in the Persian Gulf which will cost millions of dollars.

Don Neco De La Guardia advised: "Never look for trouble either with doctors or bankers."

Editorial Views Dismissal of Police Chief

PA0609010990 Panama City CRITICA LIBRE in Spanish 5 Sep 90 p 4

[Editorial: "The Dismissal of the Public Force Chief"]

[Text] The "separation" of Lieutenant Colonel Fernando Quezada, Public Force [FP] chief, as was reported in a commmunique issued by the secretary of information of the Presidency of the Republic, was caused by "a totally unacceptable public letter." The communique adds that the president and the government and justice minister made the decision to remove Quezada.

International news agencies have pointed out that Quezada had replaced Colonel Eduardo Herrera, who was also dismissed from his position, just one week ago. These reports say that Quezada became the third FP chief to be dismissed in the last eight months amid harsh criticism of the police corps, which has been unable to contain the increase in crime in Panama.

If Quezada did write the aforementioned letter, to which everything seems to point, we think his action was very rude.

We deplore that the FP high command has stooped to a diatribe of this kind, which mars the image of an institution that should be a model of transparency and professional honesty. We cannot imagine the FP immersed in a controversy of this nature because it must play a different role in this society. By this, we are not saying that it is fair to attack the integrity of the top FP officers. Nevertheless, changing the leaders of our highest public security body do us no good because it contributes to weakening an organization that should be in the process of consolidation.

The government had to make a decision, and it did. In truth, there could not be a vacuum. The FP subordinates must understand that they have superiors and that the present situation is different from the old one, when they could say whatever they wanted because it was the military that governed. Civilians now head the National Police. The middle echelons must consult with their superiors and refrain from making unilateral decisions because, we reiterate, there is an established hierarchy. Nobody can take upon himself functions for which he has not been authorized.

The government intends to turn the FP into a nonmilitary police force, but there are still bad habits of the old times when the Defense Forces ruled. In that time, every staff member was "a small state" with tremendous power, who questioned and actively opposed the remarks and opinions of any civilian. If Quezada did indeed write the letter, he should have consulted with his superiors before making such a decision, because in the new democracy he cannot adopt stances that reveal military arrogance, much less insult a civilian who possesses a bulky file of actions against the dictatorship. We think his style was not proper and was in fact fruitless. The government said the letter is unacceptable because of its wording. We agree.

We regret this new removal in the FP leadership because of a rash action. But we should not stop to be distressed. We should simply look ahead so as not to fall behind.

Chorrillo Refugees Want Direct U.S. Management

PA0609005190 Panama City PANORAMA CATOLICO in Spanish 3 Sep 90 p 1

[Text] In a letter dated 20 August and addressed to Thomas Stukel, director of the Agency for International Development, the Committee of Albrook Camp Refugees demanded from the U.S. Government the total reconsideration of the Chorrillo Plan.

The letter, signed by Ashton Bancroft, Cecilio Pitty, Luis A. Nieto, Nicolas Almanza, Kenneth Maxwell, Jose Ceballos, and Manuel Villarreal, asks that the case of the Chorrillo people be directly handled by the U.S. Government because of the incompetence demonstrated by the Panamanian Government.

The commission also pointed out that the refugees should be allowed to participate in all consultations and decisions regarding the Chorrillo problem.

The refugees made these assertions on the grounds that the Panamanian Government lacks the moral authority to handle the Chorrillo people's problem, for having approved the 20 December invasion and its incompetence in handling the Chorrillo plan.

Some of the problems that the refugees pointed out are the crowding in their camp, which makes them more likely to suffer from epidemics and diseases; the lack of true reports on the projects being carried out in Chorrillo, where not a single building has been built eight months after the December events; the failure to deliver passbooks for $6,500 to 500 of the 1,800 families who qualified, and the absence of answers for the people who lost civilian relatives in the armed actions, as the result of which they do not know to whom they can turn. Just like the local shopkeepers, these people are not sure whether they will receive monetary compensation or not.

U.S. Gulf Expenses, Paucity of Aid Questioned

PA0709001690 Panama City LA ESTRELLA DE PANAMA in Spanish 2 Sep 90 p A-4

[Editorial: "An Attitude That Amazes Us"]

[Text] More than any other Latin American country, Panama's history is linked to the history of the United States.

Both nations share the international obligation of maintaining and efficiently operating, for the benefit of the world, a canal that, although representing economic revenue for both Panama and the United States, shortens distances, facilitates maritime communications, and maintains the constant flow of merchandise from one ocean to another.

Even though the history of the two countries has been tarnished by disagreements, most of them political, the essence of brotherhood between the two nations has been maintained.

The different views prevailing in recent years among the Panamanian and U.S. leaders came to a head on 20 December when the most powerful nation in the world invaded the country and installed a government formed by the political parties that had previously won the elections, thus solving the worsening problem between the two countries.

The day the U.S. troops invaded Panama, President George Bush announced a $1.5 billion program to help the devastated Panamanian economy.

The Panamanians, resigned to our fate, saw in President Bush's statement a gesture of good will and an incentive for one of our most serious problems: the economic problem.

However, the vigor of the announcement by the president of the most powerful nation in the world began to lose strength. There was later talk of $1 billion in aid and the Panamanians, even further resigned and trying to heal the wounded nation, waited patiently. But the promise later turned into mere words that were not implemented, and Mr. George Bush's promise crumpled and was reduced to $500 million. After much begging, we were given a conditioned grant of $420 million.

The $420 million in aid and the conditions imposed in granting are not curing the sickly Panamanian economy, which suffered U.S. sanctions. Neither do they stanch the wound of an invaded nation humiliated before the world, or much less cover the needs of the poor and destitute wandering around this alleged land of promise in search of a decent job.

However, in the face of this Panamanian misery, which is struggling to emerge from this burning social flame, we are hearing the amazing news that President George Bush, the same one that promised generous aid to Panama, has intentions to forgive Egypt's $7.1 billion debt with the United States.

We were even more bewildered when we realized that the United States, whose main ally in Latin America is Panama, is spending $1 billion per month in war-like operations in the Persian Gulf, even before the war has broken out.

The display of U.S. military might and the billion dollars a month that is being spent forces us to wonder whether wasting money to display a powerful military presence before Iraq is worth more than aid to mitigate the grieving misery of a Latin American nation that has served U.S. interests throughout its life as a republic?

Linares Denies Safe-Conduct Granted to Chiari

PA0709021090 Panama City Circuito RPC Television in Spanish 2300 GMT 6 Sep 90

[Text] Foreign Minister Julio Linares has denied that safe-conduct has been granted to [former Government and Justice Minister] Rodolfo Chiari de Leon:

[Begin Linares recording] The current status of Mr. Popito Chiari is the same as months ago when we told the Ecuadoran Government that we would not grant safe-conduct to Mr. Chiari because he is linked to common crimes.

Perhaps the speculation of the past few days stems from the fact that in late July—or early August, to be more specific—the Ecuadoran Government started to try and persuade the Panamanian Government to obtain safe-conduct for Mr. Chiari. The Ecuadoran ambassador, whom we like very much, met with me and the president of the republic. Therefore, it is indeed true that Ecuador is making diplomatic efforts to secure that safe-conduct. However, at this moment there is no reason whatsoever for the national government to change its decision in this regard. [end recording]

Chamber Issues Communique on Costa Rican Action

PA0309014390 Panama City CRITICA LIBRE in Spanish 31 Aug 90 p 12

[Communique issued by the Chamber of Commerce and workers of Paso de Canoas, Chiriqui Province, on 29 August]

[Text] The Chamber of Commmerce and all the workers of Paso de Canoas inform the country:

That the Costa Rican Government has ordered all its customs offices on the border with Panama not to allow Costa Ricans to purchase products in Panamanian stores effective 30 August 1990, as a response to the Panamanian Government action not to allow its citizens to purchase products on the border for up to $25, as had been established in a previous agreement;

That since the Panamanian Government has given no indication of wanting to implement a law to fill the vacuum left by the noncompliance of the agreement, the Costa Rican Government suspended a law on this matter approved by its parliament, a law that had been enforced in the past two years;

That the attitude assumed by the Costa Rican Government will result in a loss of foreign exchange for the

Panamanian people, the closing of businesses in Paso de Canoas, and an increase in unemployment in our country;

That the Chamber of Commerce of Paso de Canoas and the employees and workers of the area blame the government officials, who have made a solution to this problem impossible because of their intransigence, for the economic and social problems that may result from their action;

That we invite President Guillermo Endara and the commerce and industries minister to visit Paso de Canoas to directly experience the problems that are being faced in this border area in order to solve them for the welfare of the two nations and the benefit of thousands of Panamanians whose incomes depend on this activity;

That we want to establish that the Panamanian businessmen of this area have paid more than $900,000 in taxes so far this year.

Issued in Paso de Canoas on 29 August 1990

Ivan Dario Gonzalez

Jaime Oda

Editorial Hails Foreign Investments in Country

PA0709001790 Panama City LA ESTRELLA DE PANAMA in Spanish 6 Sep pA4

[Editorial: "Panama And Foreign Investors"]

[Text] Our country undoubtedly has started to show visible signs of economic and social recovery. However, as many businessmen and workers have pointed out, the country still lacks firm official actions to lead national life to full tranquility.

Our country needs official action involving: practical security programs in urban and rural areas; defined and viable projects to curb unemployment; a policy of speeding justice without political retaliation; the creation of a democratic mentality inspired by peace, order, and work; more concern over improving the lot of the poorer classes; incentives for the private sector and national producers; and a spirit of national coexistence, which will heal the wounds of the past and give Panamanians new hopes for the future.

In the past few months, foreign missions—especially economic missions—have been arriving in Panama to study our country and look at the possibilities for industrial and business investments and cultural and tourist exchanges.

We must admit that government officials and prominent leaders of the private sector have provided these missions with all the necessary information and documents.

Missions from the United States, Brazil, Venezuela, Spain, the EEC, the Republic of China, South Korea, and Japan have expressed an interest in Panama and in helping Panama with its task of economic recovery. A delegation from India is visiting us right now. It is specifically interested in the possibility of installing one or more factories to process coconut and other items and to work jointly with national production.

That is why we believe that the government and citizens, regardless of political affiliations, should dedicate themselves to acting and thinking on behalf of our country's future. It has been proven that hate, persecutions, revenge, and selfishness only create a climate of distrust, tension, and pessimism that has nothing to offer to foreign capital and to our community.

Foreign investors who arrive in our country willing to work should find an open and democratic climate, where law and order rule and where peace, freedom, and justice prevail daily. Investors who arrive in a country should not find political refugess, asylees, or exiles. They should not find strikes by students or workers or dogfights among our leaders because these are signs that things are not going well.

We respectfully present these thoughts for the government, the legislators, and the country's thinking sectors to consider.

Poll Shows People Support Endara Government

PA3108170490 Panama City LA PRENSA in Spanish 30 Aug 90 p 1

[Report by Vilma E. Figueroa B.]

[Text] A poll of 1,200 people has revealed that the Panamanians' main problems are unemployment and the country's economic situation. The poll was financed by the government.

The Venezuelan "Doxa" enterprise conducted the poll in June in all the provinces. According to the poll, 43 percent of the people surveyed consider unemployment the greatest problem. The economic situation was next with 22 percent, and crime and drug trafficking were third with 16 percent.

Government and Justice Minister Ricardo Arias Calderon presented the results of the poll to the Legislative Assembly's Consultative Commission on the Public Force.

Arias Calderon said that the poll cost between $15,000 and $20,000. It was taken to determine people's opinions so that when the time comes to pass laws, the people's positions would be taken into account.

The institution that obtained the most popular support was the Catholic Church with 35 percent [as published]; private enterprise, 66 percent; the Mayor's Office, 58 percent; and the Comptroller General's Office, 50 percent. The new Public Force was accepted by 47 percent of the people polled, while 38 percent said they did not like the force.

President Endara's actions were approved by 57 percent, while 34 percent disapproved. When asked if the government is on the right track, 41 percent agreed, while 39 percent stated that they believed it is on the wrong track.

A total of 59 percent believed that the government should dedicate itself to curbing unemployment, while 17 percent believed it should be dedicated to organizing the Public Force.

As for the economic situation, 35 percent said it is improving, while 21 percent said it is getting worse.

The present situation is improving compared to the previous situation, according to 51 percent; however, 14 percent believed that it is getting worse.

The Minister stressed that 56 percent of the people felt satisfied with President Endara's government. He said that we should bear in mind that it is very different being popular as the leader of the opposition to a dictatorship from what it was being the leader of a people's government that has to solve the problems left by the previous administration. Therefore, it is normal for contradictions to exist.

As he was leaving the Assembly, Arias Calderon was asked about the use of buckshot to control disorders. He said that there was no specific order to use them. However, orders have now been issued not to use it in such cases.

He added that there had been a disproportionate use of buckshot, which he blamed on a lack of specific regulations. In matters of public security, he said that new regulations and police bylaws should be adopted to let policemen know what is expected of them.

Arias Calderon stressed that he will closely follow the Attorney General's investigation of the accused persons.

Venezuelan Police Advising Intelligence Unit

PA0609212290 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Sep 90 p 20

[From "The Griper" column]

[Text] Government sources have reported that the former G-2 [Panama Defense Forces' Intelligence] has been renamed as the Directorate of Intelligence and Public Security. The sources said the unit is similar to the Venezuelan Directorate of Intelligence and Prevention Services and it is being advised by Venezuelan policemen.

Homeless Riot, Call Attention to Demands

PA0409203090 Panama City CRITICA LIBRE in Spanish 4 Sep 90 pp 1, 22

[Report by Justino Gonzalez, Jr.]

[Text] Approximately 3,000 Chorrillo homeless, refugees at the Albrook hangars, rioted last night. This led to the expulsion of camp director Bernardo Nunez and the Red Cross personnel who worked there.

According to camp leader Ashton Vancroff, the riots began after the refugees protested the "arrogance displayed by the refugee camp director."

Vancroff said that Bernardo Nunez withheld the donations that the international organizations sent to the camp and maintained a climate of terror at the camp. Whenever domestic problems arose, he ordered the expulsion of the refugees and their relatives.

CRITICA LIBRE learned on the spot that despite the fact that the situation was very tense, there were no confrontations with the police assigned to the area.

The refugees claim that the Red Cross members assigned there are incompetent and did not answer the calls for assistance made by the camp refugees.

They warned the authorities that they will not admit the presence of Bernardo Nunez as camp director today, although they will admit the presence of other Red Cross personnel.

The cubicles where the camp supplies are stored are heavily guarded by canal policemen in charge of guarding the place.

It was learned that the authorities ordered the arrest of camp officials yesterday for misusing the donations.

Up until the evening hours yesterday, the climate at the camp was calm;, it was heavily guarded by U.S. and Panamanian guards who restored order.

The refugees claim that the commission appointed by President Guillermo Endara Galimany has not been functioning for 50 days and that the situation at the refugee camp is desperate.

"We are treated like animals," the refugees said, warning that the explosive situation in Albrook has been caused by a lack of response to the needs of the refugees, who are living in overly crowded conditions and whose demands have not been met.

Poll Rates Government Figures, Political Parties

PA3108162990

[Editorial Report] Panama City LA PRENSA in Spanish on 27 August on pages 1-A and 2-A carries an 800-word report on the results of poll on current political support taken by Dichter-Neira Marketing Consultants, a local company with which LA PRENSA has contracted. The report states that the poll was carried out among 800 people in the cities of Panama, Colon, David, Las Tablas, Chitre, Santiago, and Penonome on 7-15 August. The report adds that if elections were held in 30 days, 51.8 percent would vote for a third political force—"possibly repeating the Fujimori phenomenon"—40.3 percent for the ADOC [Civil Democratic Opposition Alliance], the ruling coalition—"showing a strong

decline, since it rose to power with a three to one margin"—and 2.2 percent for Colina [National Liberation Coalition], representing the past regime. The report continues, stating that if elections were held "today," 48.2 percent would not vote for the government, while 32.5 said that they would. The report discloses a "revealing aspect" of the polls in that the majority questioned do not consider the National Civic Crusade [CCN] part of the political coalition in power, stating that 52.6 percent rated as "excellent" Tomas Herrera's actions as CCN director.

The 28 August edition of LA PRENSA, on pages 1-A and 2-A, expands on the results of the poll in a 500-word item, with accompanying graphs, concerning the popularity of major political figures of the current government. The articles state that Second Vice President Guillermo Ford has 51.8 percent support, President Guillermo Endara, "one of Panama's most popular presidents, obtained 32.2 percent, much lower than some of his closest associates," and First Vice President Ricardo Arias Calderon garnered 28.6 percent. The article concludes the popularity poll rating some of the members of the Cabinet, with the Education Minister Ada de Gordon being the most popular, followed by Public Works Minister Rene Orillac, Finance and Treasury Minister Mario Galindo, and Foreign Relations Minister Julio Linares, with Commerce and Industries Minister Juan Chevalier being the least popular minister.

LA PRENSA continues to carry poll results in a 500-word article on 29 August on page 1-A discussing the role of the Public Forces (FP) and the Judicial Technical Police (PTJ). The item states that 54.8 percent believe that "the FP is the former Panama Defense Forces disguised as policemen." The article adds that 57 percent do not consider the FP a legitimate civilian force. Nevertheless, the item notes that 47 percent of the people interviewed consider "civilian power" to have "control over military power." The item concludes that 56.1 percent believe that drug-related issues should fall under the jurisdiction of the Customs Office, the director of which, Rodrigo Arosemena, obtained a 66.7 percent popularity rating—one of the highest—while Colonel Eduardo Herrera, who was the head of the FP at the time of the poll, obtained 25.1 percent.

On 30 August, on pages 1-A and 2-A, LA PRENSA carries more poll results in a 400-word article on the people's opinion of the justice system. The article states that 67.8 percent of those interviewed "opposed the way justice is being administered in Panama." The article also states that when questioned on the role of the PTJ and the FP, 65.6 percent replied that "these institutions are not complying with their duty of guarding and protecting the community." The article concludes that PTJ Chief Inspector Leslie Loiza obtained 16.2 percent support and Attorney General Rogelio Cruz 15.5 percent support, "the lowest popularity rating."

Argentina

Soldiers Used To Reestablish Telephone Service

PY0609214890 Buenos Aires TELAM in Spanish 2025 GMT 6 Sep 90

[Text] Buenos Aires, 6 Sep (TELAM)—A lieutenant colonel and about 20 Army soldiers took over at 1610 [1910 GMT] the offices of the International Center of Entel [National Telecommunications Enterprise] on the corner of Peron and Talcahuano Avenues in downtown Buenos Aires according to an announcement by the Entel intervener.

Entel personnel said that the members of the Army indicated that within one hour they would put the communications equipment back in operation.

Claudio Marin, member of the FOETRA [Federation of Telephone Workers and Employees of the Argentine Republic] executive board said: "The participation of the Armed Forces is creating a different situation because soldiers have become involved in a civilian conflict."

Entel Intervener Maria Julia Alsogaray said: "The positions that are not covered by regular operators" in the telephone company of the Federal Capital and the Great Buenos Aires "will be covered by Armed Forces personnel."

Reportage on Foreign Minister's Visit to Israel

WA06092115

For reportage on the visit by Foreign Minister Cavallo to Israel, including reports on his talks with Foreign Minister Levi, please see the Israel section of the 6 September Near East & South Asia DAILY REPORT and subsequent issues.

Foreign Ministry Explains Border Incident

PY0609155590 Buenos Aires DYN in Spanish 2240 GMT 5 Sep 90

[Text] Buenos Aires, 5 Sep (DYN)—The Argentine Foreign Ministry today clarified an alleged "incident" that occurred on the Chilean border, expressing "its regrets over the actions" and adding that "they will in no way affect our cordial bilateral relations."

In a communique released tonight the Foreign Ministry stated that an Argentine Army unit stationed in the area "has been providing logistic assistance since last weekend to a group of foreign citizens filming the mountain range area." Answering a question from reporters accredited to the Foreign Ministry, a spokesman said that the "foreign citizens" were "tourists of various nationalities."

The communique said that during a reconnaissance operation in the filming area, a helicopter from the Argentine Army discovered a "Chilean expedition" [grupo de expedicionarios chilenos] in the area of the Marcon hills. The communique notes: "After exchanging information with the members of the Chilean expedition, the helicopter's crew proved that they were carrying out reconnaissance activities in the area of the Paso de Cinco Glacier. The helicopter then departed."

The communique added that on 4 September [words indistinct] the foreign cameramen set themselves up in Chilean territory to begin their specific activities. In view of this situation, the Argentine Government on 5 September ordered the withdrawal of the foreign group.

It is believed that President Carlos Menem and Foreign Minister Domingo Cavallo, who is on an official visit to Israel, were consulted about the text of the communique before it was released late yesterday afternoon.

According to press reports published today in Buenos Aires, the Chilean Foreign Ministry on 4 August reported to the Argentine Embassy in Santiago on discussions that occurred a few days ago between Chilean and Argentine officials on the delimitation of an area on the southern Chilean-Argentine border. A report out of Santiago was published in an Argentine morning newspaper under the title "Chile's complaint over a border incident."

Working Group Concludes Fishing Talks

PY0609130690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2240 GMT 5 Sep 90

[Text] Buenos Aires, 5 Sep (NA)—The so-called Argentine-British Working Group for South Atlantic Affairs today concluded an evaluation of fishing issues in the southern zone and agreed to hold another meeting on a date to be determined to continue discussions on the topic.

Over the past two days in the Brazilian city of Rio de Janeiro, Argentina and Great Britain evaluated matters pertaining to fishing fleets, statistics on catches and fishing efforts, and an evaluation of the stocks of the most important species within the maritime area of the Atlantic Ocean between latitudes 45 and 60 south.

According to a joint communique released by the Foreign Ministry in this capital, the two delegations exchanged opinions on various alternatives for cooperation and the preservation of fishing resources in the area. The communique indicates that the meeting "was held in a cordial atmosphere and there was a high spirit of goodwill that encouraged the two parties in dealing with these topics."

The Argentine delegation was headed by Jose Maria Otegui, while the UK delegation was led by Errick Baker-Bates, director for South Atlantic and Antarctic affairs of the Foreign Office [two preceding words in English, name and title as received].

The two delegations clarified that the meeting was held under the aegis of the sovereignty formula agreed upon between Argentina and the United Kingdom in the joint declaration issued in Madrid on 19 October 1989.

Bolivia

Paz Zamora Advocates Private Foreign Investment

PY0609221890 La Paz EL DIARIO in Spanish
31 Aug 90 p 1

[Text] President Jaime Paz Zamora has criticized those who oppose foreign private investments and has demanded the support of the people to create new jobs in order to face unemployment.

Paz Zamora delivered a speech from the balcony of Government House to labor union leaders who gathered at the Murillo Square. He urged them to seek a better understanding toward the efforts made by the government to attract foreign capital.

He said: "I do not know why some fellow countrymen oppose foreign investments in the country. I do not understand. In my capacity as president I want the foreign private sector to invest in the country so that we Bolivians can have jobs, become the partners of those who make the investments, and be able to increase our wealth."

He said that those who oppose foreign investments in the country do not have alternative solutions to the government's proposal and that their position is not well intentioned.

"That is unacceptable. We urgently need foreign investments because there is practically no money in Bolivia. We need foreign enterprises to establish businesses in the country so that we can become their partners and we can also start to produce," he said.

He said that he was concerned over the opposition by certain sectors to the programs aimed at improving the country's situation. "There are problems when we talk about projects or investments. We had problems when we talked about the project of lithium! We also faced problems when we talked about the Cobee [Bolivian Electric Power Company), about oil prospecting, and about investments in the mining sector," he pointed out.

He said that this attitude is negative for Bolivia because it makes the foreign sector believe that Bolivia is not suitable for private investments.

In view of this situation, Paz Zamora said, foreign private investors will prefer to work in other countries than in Bolivia.

"Could you imagine how much money we can make if we allow foreign investors to come to the country. If we do not have money for oil prospecting, then let foreign investors come to the country," he said.

He said that the Bolivian interests will be safeguarded because we Bolivians "are not stupid." He then added that we can develop our own initiative to prevent investors from being the only ones to obtain the benefits.

The rally was attended by hundreds of people, most of them women and children. Paz Zamora highlighted the task performed by the labor union leaders in the country during his speech. He said that despite the circumstances they could face the difficult situations and engage "in any type of activity."

He said that many sectors will have to follow the example of the labor union leaders and make it possible for the nation to move toward a better future.

The country's labor confederation and federation leaders voiced their support for the task performed by the president and especially for the approval of Decree No. 22555 which favors the sector. The people time and again applauded Paz Zamora, who promised to meet their health and housing demands. He said that the authorities were compelled to take urgent measures to comply with these objectives.

Decree

The decree which favors the workers reads as follows:

"The president decrees:

Article 1 - The contributors included in the simplified tax system established by Supreme Decrees No. 21521 and 21612 of 13 February and 28 May 1987 are as of today subject to the dispositions of the following Supreme Decree.

Article 2 - The simplified tax system remains unmodified with only four categories. The tax structure laid out in Supreme Decree No. 21521 of 13 February 1987 is hereby modified in the following manner:

Categories in bolivianos
1. From 1,001 to 2,600 bolivianos makes bimonthly payments of 13 bolivianos
2. From 2,601 to 4,800 bolivianos makes bimonthly payments of 30 bolivianos
3. From 4,801 to 7,000 bolivianos makes bimonthly payments of 150 bolivianos
4. From 7,001 to 10,800 bolivianos makes bimonthly payments of 300 bolivianos

Article 3 - Retired workers [sujetos pasivos] included in the simplified tax system whose capital ranges from 0 to 1,000 bolivianos are excluded from the system as of the publication of this decree.

Article 4 - Retired workers whose capital is more than 10,800 Bolivianos will be subject to the general tax system as of 1 July 1990.

Article 5 - The General Revenue Office is authorized to issue the appropriate administrative measures for the better compliance of this decree.

Article 6 - The tax debts connected with this decree of labor union workers, artisans, and street vendors are hereby suspended until the National Congress approves a pardoning of the debt.

Article 7 - Supreme Decree No. 21612 of 28 May 1987 is hereby abolished."

Ministers Downplay Charges by Conase Official

PY0509160890

[Editorial Report] Bolivian newspapers have recently carried a variety of reports on remarks by senior Bolivian Government officials downplaying charges by Colonel Carlos Tapia, chief of the Geopolitical Department of the National Security Council, Conase. Tapia has recently charged that Argentina, Brazil, Chile, Paraguay, and Peru have geopolitical objectives that threaten Bolivia's territorial integrity.

La Paz EL DIARIO in Spanish on 25 August carries a 500-word report on page 3 on remarks by Bolivian Foreign Minister Carlos Iturralde on this subject. Iturralde states that Colonel Tapia's remarks are out of keeping with Bolivia's position, that they are "out of touch with reality," and that they reflect an absolute lack of awareness of Bolivia's foreign policy guidelines.

Iturralde added that today "we live in an atmosphere of interdependence, cooperation, and international agreement." He added that Brazilian officials have assured him that Brazil no longer has any imperialist goals because it cannot even patrol its own borders.

La Paz PRESENCIA in Spanish on 26 August, on page six, carries a 250-word report on remarks by Interior Minister Guillermo Capobianco on the same subject. Capobianco said the Conase official's remarks reflect "an outdated mode of thinking, an obsolete view that was in force 30, 20, or 10 years ago, but which is no longer valid today."

Capobianco said that although Tapia's opinion should be respected, it does not reflect the geopolitical thinking of the Bolivian Government, which upholds a new concept of borders and sovereignty.

Attackers Machine-Gun Conase Colonel's Home

PY0609122390 La Paz El DIARIO in Spanish 31 Aug 90 p 4

[Excerpts] A criminal attack occurred at approximately 0330 on 30 August in the Bolognia district of the city when a group of unknown persons traveling in a vehicle machine-gunned the home of Colonel Carlos Tapia, a member of the National Security Council (Conase).

It has been learned from the military officer himself that an undetermined number of persons traveling in a Toyota van fired at his home, causing some minor damage and alarming his family and neighbors. [passage omitted]

Asked about the motives for the attack, the colonel indicated that he did not know the cause. He did mention that just before the attack he received an anonymous telephone call during which the caller said: "You are going to pay for what you said."

The attack seems to be linked to the colonel's remarks on certain dangers that Bolivia may have to face due to the geopolitical interests of neighboring nations. [passage omitted]

After making these comments the colonel was removed from his post and the remarks were denied by Foreign Minister Carlos Iturralde himself. The foreign minister indicated that the colonel's remarks did not in any way reflect the official policy of the Bolivian Government. [passage omitted]

The Interior Ministry has begun an investigation into the attack against the colonel's home, although the motives for the attack are still unknown.

This was stated by the Interior Ministry under secretary in referring to the attack by unknown persons, who fled the scene of the crime. [passage omitted]

The under secretary maintained that the country is calm and that the various units that look after internal security are carrying out their tasks, although there are isolated cases that avoid this strict control. [passage omitted]

PRC Vice Minister Visits, Donates Riot Gear

PY0609174690 La Paz PRESENCIA in Spanish 30 Aug 90 p 6

[Text] Hu Zhiguang, PRC vice minister of public security, who arrived in Bolivia on 29 August, has delivered to Interior Minister Guillermo Capobianco a donation consisting of a large amount of riot gear for the police.

The equipment includes 1,500 synthetic fiber helmets, 1,500 gas masks, 3,000 rubber raincoats, and 60 instruments for analyzing fingerprints. Capobianco said the equipment will be used in carrying out the recently approved "National Security Plan for Citizens."

The plan, which was described by the authorities two days ago, includes programs aimed at protecting the community, family, and individual in the country's most conflictive areas. The plan also seeks to create conditions for a new "social discipline."

Hu, who is heading a delegation made up of six high-ranking PRC officials, yesterday expressed his government's desire to increase bilateral relations. He also announced that the PRC will make other donations to the Bolivian Government.

The delegation is scheduled to meet with President Paz Zamora at Government Palace today at 1100. It will then hold a working meeting with high-ranking police officials at the national headquarters of the Bolivian Police.

The agenda also includes a walk along the shores of Lake Titicaca and a visit to the city of Santa Cruz. The delegation will return to the PRC on Sunday.

U.S. To Provide Aid in Antidrug Fight

PY0609140590 La Paz PRESENCIA in Spanish 30 Aug 90 p 7

[Excerpts] (ANF)—Defense Minister Hector Ormachea announced today that the U.S. Government will provide machinery and war materiel promised as military aid for the nation's Armed Forces through December 1990 so that during that same month they can start the first phase of the fight against drug trafficking, which is an alternative development. [passage omitted]

The minister said: "It must be clearly understood that it is a question of heavy machinery and a small amount of weapons (which will be used by the Army's infantry battalions)." [passage omitted]

Starting with the provision of the military aid, the Armed Forces will carry out the tasks outlined in the Paz-Bush annexes pertaining to alternative development before entering the interdiction phase outlined in the overall antinarcotics plan.

The Alternative Development Plan includes "carrying out civic action missions in areas affected by drug trafficking and other depressed areas of the national territory in which drug trafficking is aided."

The commander of the Armed Forces has made it clear that as soon as the presidential order has been issued, the pertinent Army units will only carry out tasks pertaining to alternative development and civic action; they will not carry out tasks of interdiction or drug trafficking repression.

Two infantry battalions will receive modern war materiel and be trained for two months in antinarcotics operations. At the end of this period "the light battalions will be ready to operate," Ormachea said.

Moreover, these interdiction tasks will only be carried out when the president gives the order and when it is verified that "the special antinarcotics forces have been overrun."

In accordance with the annexes, the Bolivian Army, Air Force, and Navy will carry out operations "against illegal weapons caches, cocaine-producing laboratories, points where controlled substances are collected, and clandestine airstrips, and they will confiscate drug trafficker's assets and continue to control internal waterways." [passage omitted]

Militarization of Coca-Producing Areas Ruled Out

PY0509195290 La Paz PRESENCIA in Spanish 25 Aug 90 p 7

[Excerpts] The Bolivian Government has guaranteed that "the cocaine-producing areas will not be militarized," and that it will "immediately" assign the National Alternative Development Council with the participation of the peasant sector.

This accord is part of a seven-point document that was signed on 24 August by leaders of the Single Trade Union Confederation of Bolivian Peasant Workers (CSUTCB), by Interior Minister Guillermo Capobianco, and by Campesino Affairs Minister Mauro Bertero.

In this accord the government agreed to comply with several commitments, most of which are aimed at observing the terms of an agreement signed on 16 May to solve a general strike.

The dialogue between the CSUTCB and the government was only possible after five days of negotiations by a specially designated Chamber of Deputies committee made up of Gregorio Lanza, Julio Mantilla, Juan Arias, and Luis Fernando Fagalde of the (MBL) [Free Bolivia Movement]. [passage omitted]

The most important points of the accord include: A commitment by Executive Branch officials to confirm a decree exonerating the payment of taxes; the promulgation of a decree, or the renegotiation of loan capital, that will condone in exceptional cases penalties, commercial interests, and court expenses to small growers who have been affected by disasters since 1985. These points will apply to loans of less than $5,000.

It was agreed that the Agrarian Bank will immediately release a list of its main dilatory debtors, and that it will continue to use the law to collect this money. It was also decided to defend the Agrarian Bank, and to analyze an alternative to solve the debts of small borrowers through credits refinanced by the Central Bank.

Concerning the drought, the government and the CSUTCB agreed to carry out joint actions with the ONGS [Non Government Organizations] to obtain international cooperation to face the problems caused by the drought.

As for coca leaf growing, the government has promised to negotiate with foreign governments, to support the voluntary replacement of coca leaf plantations, and to implement the alternative development projects.

The Labor Ministry has agreed to oversee the fulfillment of the labor regulations for seasonal workers.

Regarding the social area, the authorities agreed to appoint two CSUTCB members as their representatives before the Agrarian Reform Council and the Bolivian Agrarian Bank.

Brazil

Iraqi Spokesman Interviewed on Gulf Conflict

PY0709030690 Rio de Janeiro O GLOBO in Portuguese 6 Sep 90 p 18

[Text] Baghdad—President Saddam Husayn now has something in common with U.S. President George Bush. Just like the U.S. president, he is currently pessimistic about the possibility of a diplomatic solution to the

impasse in the Persian Gulf, Husayn's main spokesman Naji al-Hadithi, information director for the Presidency [name and title as published], has said.

"We are ready to go to war," he said yesterday during an interview with GLOBO in his large office on the eighth floor of the Information Ministry [as published]. Naji said the government had distributed foreign hostages ("representatives of the aggressive countries") among several vital installations in Iraq and Kuwait to serve as a protective shield.

"We took them to oil wells, industrial districts, airports, and military bases, especially Air Force bases," Husayn's spokesman said. According to Naji, Iraq is betting on time. A war will only take place if the country ("and please include Kuwait") is attacked. If the impasse remains, Iraq has enough means to withstand the commercial and economic blockade imposed by the UN Security Council.

Naji said that the world will give in in the face of the need for oil before Iraq gives in from hunger. Husayn currently controls 20 percent of the oil sources. Given the embargo and the naval blockade in the Persian Gulf, he cannot currently sell that oil to anybody. However, despite this fact, he thinks his country will be able to survive until the moment when the rest of the world gives in. He bets that the situation will backfire on the United States.

[GLOBO] What do you forecast for this impasse?

[Al-Hadithi] Iraq has two options; the quickest one is peace. We prefer this, and we are willing to hold talks at any level to attain this objective. Our doors are open for a discussion as long as no conditions are imposed on us.

[GLOBO] Therefore, the return of Kuwait to its government is a subject that Iraq will not talk about?

[Al-Hadithi] Saddam Husayn's action of recovering Kuwait for Iraq is something other countries have nothing to do with. It took place within a historic framework of political development. Nearly 70 years ago the British cut our outlet to the Persian Gulf when they drew a line in the sand for what they thought should be a border between Iraq and Kuwait. The objective was to deprive us of a strategic outlet to the gulf. Therefore, the annexation of Kuwait by Iraq is a domestic Iraqi matter, in which other countries have no involvement. We never thought of invading Saudi Arabia as the Americans say. We only wanted to correct a mistake committed by the British.

[GLOBO] What led Iraq to decide on armed action after so many years?

[Al-Hadithi] All of the former governments tried to restore this irregular situation, without success. Our action was ignited by the attitudes and plots of the family that governed Kuwait. Kuwait increased its oil production, causing a reduction in international prices that weakened our economy, besides taking oil from Iraqi wells.

[GLOBO] The fact is that there has been an immediate international reaction, and since your government refuses to retreat, the possibility of war has sprung up.

[Al-Hadithi] We did not create that situation. Our objective is to avoid the danger of a war, which would be a disaster for the region and for the United States, Europe, and Japan. The possibility of war was created by President Bush sending troops to the oil fields. And oil, as you know, is inflammable.

[GLOBO] Since Iraq refuses to withdraw from Kuwait, the United States refuses to withdraw its troops. Is a military confrontation the only possibility left?

[Al-Hadithi] Any action against Iraq will receive one in reply. And, as you know, oil is the life of the world and that life is in danger because of the U.S. presence in Saudi Arabia.

[GLOBO] How is Iraq currently facing the possibility of war?

[Al-Hadithi] We are not afraid of war. We spent eight years in a war with Iran, and now we are ready to go to war again, even if we expect a peaceful solution. The conversation between Foreign Minister Tariq 'Aziz and UN Secretary General Javier Perez de Cuellar was useful, but we rejected the preconditions that were imposed.

[GLOBO] Who supports Iraq's position?

[Al-Hadithi] The Arabs in general, and I mean the Arab people, not necessarily their governments.

Federal Deregulation Measures Published

PY0709005590 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 25 Aug 90 p 10 Economic Section

[Summary of government measures within the framework of the Federal Deregulation Program]

[Text] Industry and Commerce Sector

1. Elimination of the Quota System for Supplying Carbochemicals

With the infrastructure minister, I am signing a resolution revoking MIC [Industry and Commerce Ministry] Resolution 78/83, which established a system of quotas for the use of carbochemicals produced by coke-run steel plants.

The dissolved Industrial Development Council, CDI, was in charge of evaluating projects for the installation of chemical industries, and their approval depended on

guarantees for the supply of raw materials by Siderbras [Brazilian Iron and Steel, Inc.] in accordance with a quota system.

The objective was to strengthen the carbochemical, agrochemical, and pharmaceutical industries and the regulation of commercial relations between private companies and the state monopoly.

The private companies that use carbochemicals as raw materials constitute a relatively modern, solid industry capable of getting its supplies from the international market.

Continuation of that legislation would create barriers to the establishment of new companies and would be in disagreement with the guidelines of our industrial and foreign trade policies.

2. Elimination of Previous Consultation With Sector Entities To Check Similarities Under the Befiex [Commission for Granting Tax Benefits to Special Export Programs]

The Industry and Commerce Department director signed a resolution eliminating consultation with sector entities for approval of goods to be imported under the Befiex.

Companies participating in the export program had to submit a list of the products to be imported, such as machinery, spare parts, components, and raw materials, to Befiex, which consulted with the sector entities for approval. Eliminating the consultation will give administration of the program greater flexibility.

3. Elimination of Previous Authorization for the Installation of Agrochemical and Pharmaceutical Product Factories

With the health minister, I am signing a resolution revoking Interministerial Resolution No. 4, which conditions the production of several agrochemical and pharmaceutical products to previous authorization from the National Health Protection Secretariat after an evaluation of the specific industrial project by the dissolved CDI.

This revoked resolution was useful to gradually induce the local production of raw materials for this sector. The time has come, however, to gradually reduce the level of protection by exposing Brazilian industry to international competition on a planned basis.

The legislation on health control measures and tariff protection during the period for national producers to get established remains in force.

Federal Revenues and the Foreign Trade Sector

4. Taxpayers Declaration for Paying Taxes and Federal Contributions Instead of the Tax Exemption Form

I am submitting to the president of the Republic a draft decree which simplifies the requirements for proving tax payment by eliminating the obligation to submit a tax payment certificate and replacing it with a taxpayer declaration for various operations.

In addition to benefiting people and businesses, the measure will eliminate the issuance of more than 280,000 certificates per year by the Federal Revenues Department.

5. Elimination of the Monthly Federal Tax Declaration, DCTF

The Federal Revenue Department director has signed a regulation raising the limit from 100 to 200 BTN [National Treasury Bonds] for mandatory presentation of the DCTF, which will henceforth be made once a year.

This is a measure of rational administration because the new limit will eliminate the filing of more than 4 million declarations. Monthly control will now be carried out on only 60,000 taxpayers, which covers 97 percent of revenue collection.

6. Permit Extension for Entrepot Trading

The Federal Revenue Department director has signed guidelines changing previous regulations which prohibited entrepot trading of different types of merchandise. The new measure will only ban entrepot trading of merchandise prohibited by international agreement and of used machines, equipment, and instruments. Entrepot trading can now be made without previous license or exchange coverage.

7. Elimination of the Monthly Income Tax Declaration - Elimination of the Monthly Personal Income Tax Advance Payment and Simplification of the Annual Income Tax Declaration

I am authorizing the Federal Revenue Department to carry out a study within 90 days on elimination of the "monthly income tax advance payment," beginning in the next fiscal year. This will simplify the annual income tax declaration and allow taxpayers to make a single yearly calculation instead of 12 monthly calculations.

8. New Consolidation of Income Tax

The Federal Revenue Department director has formed a working group to consolidate, by the end of this year, the provisions of approximately 500 laws, decree-laws, and regulatory acts in order to obtain one clear, orderly, and functional income tax legislation.

9. Immediate Customs Clearance of Merchandise Without Import Permit

I am abolishing Regulation 222/81, which requires specific authorization for the release of imported merchandise without respective import permit whenever such requirement exists.

In such cases the customs clearance took, on average, one week. This not only delayed the use of the merchandise

that was urgently required for the productive process, it also incurred increased storage charges.

10. Exemption for Passengers Traveling Abroad from Presenting a Fiscal Certificate for Imported Products

The Federal Revenue Department director has handed down a resolution exempting passengers who travel abroad from presenting a fiscal certificate or the first copy of an import permit for products of foreign origin that are being taken out of the country.

The exemption from this requirement, which did not help improve fiscal controls, will avoid problems for travelers who did not bring along evidence of the purchase of goods.

11. Creation of Facilities for the Temporary Entry of "Containers" [preceding word in English]

The Federal Revenue Department director has signed standard instructions which remove bureaucratic and unnecessary control over the temporary entry of "containers," thus facilitating the free circulation in the country of about 800,000 "containers" per annum.

12. Simplification of Import and Export Forms

The Foreign Trade Department director will sign within the next few days a regulation simplifying import and export documents.

The improvement not only involves simplifying the forms, which facilitates their completion, but it will also enable the public administration to better use the information contained in them.

Central Bank Area

13. Simplifications in the Short Term

The Central Bank is studying implementation in the short term of several measures to deregulate the financial system. The following stand out:

1) The simplification of norms for the approval of the directors of financial institutions;

2) Dispensation from having to previously register financial institutions with the Central Bank before try to attract resources in the open market, provided all legal requirements are met;

3) Dispensation from having to obtain the Central Bank's previous authorization for the setting up of funds that have fixed incomes or short-term applications, provided all legal requirements are met.

4) Simplification of authorization demands for the issuance of debentures [preceding word given in English] by leasing companies;

5) Simplification in check writing, eliminating the need to write out in full the number of cents.

14. Simplifications in the Medium Term

1) Dispensation from having to obtain the previous authorization of the Central Bank for financial institutions to invest in other companies, providing certain conditions are met;

2) Dispensation from having to obtain the previous authorization for the installation of financial institution offices or agencies;

3) Simplification of rural credit procedures by adopting measures like crediting resources directly to the producer's current account when the amount is more than 600 MVR [Maximum Reference Value]; and a study into the possible disbanding of the Proagro [Agriculture and Livestock Activity Support Program], transferring agricultural insurance to the private initiative.

Special Deregulation Commission

The Infrastructure Ministry

This deregulation seeks essentially to fulfill the principle provided in single paragraph of Article 170 of the Constitution, guaranteeing free economic activity for all, strengthening private initiative, expanding its range of action and reducing interference by the state.

In compliance with this objective, and following the deregulation and bureaucratization process, the Infrastructure Ministry has adopted the following measures:

Fuel

(Resolutions)

1) The abolition of the resolution by the extinct CNP [National Council for Petroleum] on control and responsibility over violations in the distribution, transport, consumption, and resale of petroleum, except for Liquefied Petroleum Gas.

2) The abolition of the resolution by the extinct CNP demanding prior authorization for the distribution of asphalt.

3) The abolition of the resolution by the extinct CNP demanding prior authorization for the distribution of solvents.

4) The abolition of the resolution by the extinct CNP demanding prior authorization for the distribution of paraffin.

5) The abolition of the resolution by the extinct CNP providing for the exemption of the single tax on lubricants and liquid and gaseous fuels.

6) The abolition of the resolution by the extinct CNP providing for classification of lubricant oils by types, establishing new classification by their use.

7. The abolition of the resolution by the extinct CNP establishing norms for regulating the Central Energy Commission's and the Internal Commission for the Preservation of Energy's relationship with industries.

Iron and Steel Industry Sector

(Resolutions)

1) The liberalization of the distribution activities of common and stainless laminated steel produced by federal state iron and steel industries.

2. The liberalization of the distribution activities of raw material and of basic carbochemical products produced by federal state iron and steel enterprises.

Transport Area

(Resolutions)

1) The abolition of unnecessary controls in the railroad transport area.

2) The liberalization of freight transport in various forms and the elimination of unnecessary controls in that area.

3) The simplification of the export of cotton and similar products, eliminating unnecessary controls and facilitating reduction of costs in the shipment of those products;

4) The simplification of coffee and cocoa exports, eliminating the unnecessary controls and facilitating the reduction of costs in the shipment of those products;

5) Decree. Decentralizes the administration of ports, waterways, floodgates, and related activities previously under the control of Portobras [Brazilian Ports Enterprise], which is being closed.

Minor Radioactive Accident Reported at Navy Lab

PY0609181090 Madrid EFE in Spanish 1607 GMT 6 Sep 90

[Text] Rio de Janeiro, 6 Sep (EFE)—The newspaper JORNAL DA TARDE reported today that an unprecedented radioactive accident occurred last week in a local laboratory linked to the Brazilian Navy's parallel nuclear program, which is designed to build a nuclear submarine.

Anselmo Paschoa, chairman of the National Commission for Nuclear Energy (CNEN), reported that chemist Sonia Helena Valente "inadvertently" contaminated herself while handling tapes [cintas] containing "Americium-241," a radioactive metallic element.

JORNAL DA TARDE reports that the Nuclear Engineering Laboratory (IEN) where the accident occurred is part of the nuclear program designed by the Brazilian Navy to build a nuclear reactor.

In 1988, the CNEN banned the use of "Americium-241" in manufacturing lightning rods even though a shipment of this element had already been purchased from the United States for this purpose. There are, however, thousands of "Americium-241" tapes still stored at the IEN laboratory.

Valente suffered only minor contamination, according to IEN officials, but the radioactive accident is being investigated.

Investigation Into Child Violence Ordered

PY0709012590 Brasilia Domestic Service in Portuguese 2200 GMT 6 Sep 90

[Text] The government will investigate all reports of violence against children. This was stated today by Justice Minister Bernardo Cabral who referred to an Amnesty International report released in London this week.

According to the document, 1,000 street children have been killed in Brazil in the past five years by policemen and extermination groups, mostly in the states of Recife, Rio de Janeiro, and Sao Paulo.

The minister today met with President Collor to discuss the subject. He said that, unlike other countries, each state is self-governing, since Brazil is a federal republic, and that the military and civilian police are directly subordinated to the government.

The justice minister said that the federal government is being held responsible for this report. This is why President Collor will not ignore any reports of violence against children.

[Begin Cabral recording] This will change. When he learned of this report, President Collor ordered the Justice Ministry to investigate the charges thoroughly, so that Brazil will not be stained by this kind of charges. [end recording]

The justice minister has phoned the governors of the states of Rio de Janeiro, Sao Paulo, and Pernambuco to learn what measures they have adopted, to what extent the reports are true, and how the federal government may help the state governments.

Chile

Pinochet Rejects Request To Vacate Army Club

PY0609180090 Santiago Domestic Service in Spanish 2300 GMT 5 Sep 90

[Text] Go ahead and get us out of there. This was Army Commander General Augusto Pinochet's response to a question about statements made by Defense Minister Patricio Rojas, who had suggested that the former Lo Curro presidential retreat should be returned to the government. This retreat currently serves as the Army's social club. With obvious annoyance, Gen. Pinochet answered the question about the future of the Lo Curro retreat after a luncheon at the La Union Club hosted by the Santiago Rotary Club to commemorate the Army's Day of Glory.

[Begin recording] [Reporter, in progress] ...in the Army, should it be returned?

[Pinochet] It remains in the Army.

[Reporter] But he said it should be returned to the government.

[Pinochet] Go ahead and get us out of there. [end recording]

Gen. Pinochet did not want to confirm whether the Army was annoyed at the defense minister's statements, saying simply that the Army remains stoic and silent.

Pinochet had just given a speech to thank the Rotary Club members for their commemoration. In an improvised speech, Pinochet referred to the time when the Armed Forces had to intervene in the government and labeled Congress as irresponsible. Regarding the military government, Pinochet stressed that Chile took 16 years to reach the point that Europe has reached in one year, referring to the downfall of the East European communist governments.

Gen. Pinochet added that he is concerned about the fact that there are people in Chile who do not understand the real meaning of the Army. He said he is most concerned about the fact that there are followers of a German general who allowed, quote, drug addicts, long-hairs, homosexuals, and trade union leaders, unquote, in his Army. We must remain alert to such cases because the Army is being pressured, Pinochet told the luncheon participants.

[Begin Pinochet recording] Economic pressures are being applied, real pressures. I will not say any more because I cannot talk about politics. My friends, I thank you very much for inviting me. I thank you for wanting to listen to me. I did not want to speak, but I did. I do not think I did too badly. Thank you. [end recording]

Santiago Rotary Club President (William de St. Auvent) and General Osvaldo Palacios, Army rationalization and development director, also gave speeches at the luncheon to commemorate the Army's Day of Glory.

FRG Foreign Minister Protests

PY0609185690 Santiago Radio Chilena Network in Spanish 1700 GMT 6 Sep 90

[Text] The foreign minister of the FRG has strongly protested the remarks by Chilean Army Commander General Augusto Pinochet in which he refers to the FRG Army as a corps in decline made up of marijuana smokers, drug addicts, longhairs, trade union leaders, and homosexuals.

The government of Chancellor Helmut Kohl considers the Chilean Army commander's attack against the honor, defensive capacity, morale, and discipline of the West German soldiers as obscene, a source said. He said that Bonn expects Chile's democratic Government to draw the appropriate conclusions and General Pinochet to apologize to the FRG Army.

Army Downplays Controversy

PY0609205090 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 6 Sep 90

[Text] The Army Communications Department today issued a public statement reiterating the affection and appreciation that General Augusto Pinochet, the commander of the institution, and all Army personnel have for the German Army. Pinochet today made a more precise statement after yesterday's impromptu remarks. He characterized the German Army as one of the best in the world.

Pinochet yesterday said that a general who tried to introduce low moral values into the Army was guilty of treason. The statement ends by saying that Pinochet's declaration, like all spontaneous remarks, can be interpreted with a different connotation than the one intended.

Colombia

Drug Cartels Reportedly Willing To Surrender

PA0709050290 Mexico City NOTIMEX in Spanish 0417 GMT 7 Sep 90

[Text] Bogota, 6 Sep (NOTIMEX)—It was announced tonight in Bogota that leaders and members of the Medellin and Cali cartels, which control almost 90 percent of the country's cocaine production, would be willing to surrender to the authorities in the near term and to negotiate sentences in Colombia.

According to a report broadcast by the "Todelar" radio network, the Extraditables "would be able to surrender within a short time at a public site, somewhere in the country and in the presence of the Colombian Red Cross or a human rights organization."

The report, the "Todelar" reporters said, was obtained exclusively by the "LA PRENSA" newspaper and will be published in the 7 September edition.

According to "Todelar," citing the newspaper, "the drug cartels have summoned their attorneys to a meeting within the next few hours" to discuss whether it will be advantageous for them to surrender.

"The drug barons have accepted President Gaviria's proposal in principle, although they have pointed out some points that are part of the study."

According to the lawyers for the drug cartels, the Extraditables "are considering surrendering in light of respect for life, the right of respect and defense, and the consequences of returning to the capitals."

"Todelar" pointed out, however, that there is some "disagreement regarding their distrust and fear of denunciation. They would denounce one another and this would snowball."

Yesterday, President Gaviria's government issued a decree offering to reduce sentences and promising not to extradite drug traffickers and terrorists who willingly turn themselves and freely confess "their crimes."

Students Occupy Honduran Embassy in Bogota

PA0509212690 Panama City ACAN in Spanish 1928 GMT 5 Sep 90

[Text] Tegucigalpa, 5 Sep (ACAN-EFE)—A group of students wearing masks today occupied the Honduran Embassy in Bogota to demand that they be considered for the upcoming Constituent Assembly that will be elected on 9 December, it was reported in Tegucigalpa.

Eugenio Castro, Honduran Foreign Ministry spokesperson, said that the embassy was occupied by a group of fewer than 18 people. He added that the Honduran Government hopes that these people are removed from the embassy without any violence.

Ricardo Pineda Milla, Honduran ambassador to Colombia, contacted Tegucigalpa to report that there are no hostages at the embassy and that, regretfully, the Colombian janitor had been "hurt." He was the only employee at the embassy.

Pineda Milla said that the group occupying the embassy is not armed, and there are no police guarding the mission because the Colombian Government removed them some time ago due to the violent situation prevailing in Colombia.

A reporter for Radio Cadena Colombiana (Caracol) informed the ""HRN" [Voz de Honduras Network] radio station in Tegucigalpa that the Honduran Embassy had been "peacefully" occupied and that the students are demanding to be taken into account for the upcoming Constituent Assembly, which will be elected through popular elections.

Government, EPL Sign Accord on Group's Role

PA0609221490 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 6 Sep 90

[Text] An agreement signed a few hours ago between government and Popular Liberation Army [EPL] representatives suggests that the EPL will become a political group similar to the 19 April Movement Democratic Alliance. The agreement recognizes that the National Constitutent Assembly will be the key factor in consolidating the peace process begun by the previous administration. Diego Montana Cuellar, one of the people responsible for ensuring the government-EPL talks and a representative for leftist democratic organizations, provided the information to this newscast.

[Begin recording] [Montana] The EPL is ready to be represented in the Assembly, but they also want other insurgent forces to be represented. They are proposing a meeting for 23 September between the government and all the armed rebel groups, namely, the EPL, the Revolutionary Workers Party, and the Quintin Lame Commando Unit, in order to study matters regarding their representation in the National Constituent Assembly, the agreement just signed, and the possibility of including other insurgent groups in the peace process.

[Reporter] Are they committed to surrendering their weapons?

[Montana] Totally. There is no turning back on this commitment. They have a commitment to peace and it will lead to nothing short of their incorporation into Colombia's politics. [end recording]

If the agreements are kept, and all security measures and guarantees ensuring their political activity are provided, the EPL is expected to surrender its weapons before 9 December, the date of the elections for the National Constituent Assembly, Montana Cuellar added.

Guerrillas Disapprove Pact

PA0709020990 Madrid EFE in Spanish 0035 GMT 7 Sep 90

[Text] Bogota, 6 Sep (EFE)—It was announced today that Colombia's Simon Bolivar National Guerrilla Coordinating Board (CNGSB) has not approved the pacts signed between the government and the Maoist Popular Liberation Army (EPL) because those pacts counter the hopes of a people who want peace with dignity.

According to a communique from the CNGSB, which was placed in EFE's mail box, the EPL agreements do not adhere to the CNGSB's guidelines.

The EPL and the current government, headed by President Cesar Gaviria, signed an agreement on 26 August to continue the process in which the EPL fighters would return to civilian life, which began in the previous administration under Virgilio Barco.

The communique says that no partisan motives will be placed above the many men and women who have surrendered everything, knowing that their weapons could be taken up again in the struggle which has not ended, because the people are still without food, housing, health care, education, democracy or the means to solve these problems.

Among the rebel forces included in the CNGSB are the Communist Revolutionary Armed Forces of Colombia (FARC), the Army of National Liberation (ELN), and the EPL.

Also a member of this insurgent group, until it dissolution and transformation into a political party, was the 19 April Movement (M-19), which surrended its weapons and signed a definitive peace pact with the Barco government on 11 March.

The communique points out that at the fifth guerrilla summit—which met a few weeks ago—a political solution was advocated for the Colombian conflict, because

the board believes that the guerrillas are a consequence of the institutional violence that is tearing Colombia apart; the guerrillas are responding to the aggression, rather than being the cause of it. We cannot be absent, the document adds, from an event that commits the name of a force like the EPL, which signed the agreements reached at the guerrilla summit.

Justice Minister Sees 'Possibility of Peace'

PA0709035990 Bogota Radio Cadena Nacional in Spanish 1200 GMT 6 Sep 90

[Text] Justice Minister Jaime Giraldo said this morning government's new drug-trafficking policy measures have brought the possibility of peace to the war the country has suffered for many years. While talking with this station, Giraldo warned drug traffickers and members of paramilitary or self-defense groups that they have to realize that Colombian law must be respected and that no one has impunity. He reiterated that those who voluntarily turn themselves in and fully confess their crimes will receive guarantees that they will be tried in the country, thus avoiding extradition, and that their sentences will be reduced.

Quintin Lame Refuses Constituent Assembly Role

PA0509030090 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 2 Sep 90

[Text] The Quintin Lame Commando Unit has announced that it will not participate in the Constituent Assembly because the Indians have not been guaranteed a seat in it. During a meeting with the government, this guerrilla group said that the Indians cannot win a seat in the assembly by themselves because they do not have the necessary electoral machinery.

The order to abstain from participating in the assembly includes those who had expressed their willingness to participate in this organization—which will be tasked with amending the Constitution. At this guerrilla summit, the subversives protested against what they described as the government's unfair treatment toward minority groups by refusing to place them under a special district to guarantee their presence in the Constituent Assembly.

[Begin Quintin Lame Deputy Commander Ciro recording] The Indian movement will not be able to participate in the Assembly. We, as an armed group, will not be able to participate either because we can hardly do so when the segment of the population that we represent is not being recognized and will not participate. That is, if the Indian movement will not participate, we will not participate either. [end recording]

According to the guerrilla leaders, this movement will reinforce their presence in Cauca Department. They added that for the time being there will be no demobilization and disarmament, as had been promised in preliminary talks with the government.

[Begin Quintin Lame Commander Gildardo Fernandez recording] As long as the Indian movement is not allowed to participate, we are not willing to demobilize or lay down our arms. [end recording]

The Quintin Lame's decision was made in these mountains of Cauca Department where this movement has been operating in defense of the Indians' land claims. The group also expressed its disagreement over leadership shared by the Army of National Liberation and the National Guerrilla Coordinating Group. Quintin Lame leaders said that there is currently no consensus on which group should lead the movement that comprises most subversive groups operating in the country.

Despite the problems that have emerged concerning the Constituent Assembly, this guerrilla group announced that it will continue to honor its decision to maintain a unilateral cease-fire.

Government Denies Impasse

PA0509034790 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 4 Sep 90

[Text] The Colombian Government has denied reports that the Quintin Lame guerrilla group has abandoned the peace talks. Peace Adviser Jesus Antonio Bejarano attributed the rumors, regarding the process of dialogue and rapprochement with the Quintin Lame subversive movement, to a misunderstanding in the interim process that prevailed during the reshuffle of government positions. The government official explained that the talks with the guerilla organization were not broken off and that the government will continue to search for political solutions to the armed conflict. Reporter Ricardo Canon spoke to Peace Adviser Jesus Antonio Bejarano.

[Begin recording] [Canon] Mr. Bejarano, does that mean that the dialogue between the government and the Quintin Lame has not been broken?

[Bejarano] No, I do not see that is what it means. A meeting was scheduled for 11 August, but there was no peace adviser on that day. I took office on 17 August. Therefore, it was necessary to postpone that meeting until we began to function in an advisory capacity. As I said, we have sent the Cauca delegate the necessary instructions to have the date established for a meeting with the Quintin Lame group. We hope the process and agreements will be continued. [end recording]

Regarding the regional processes with other self-defense and paramilitary organizations—like those which took place last week in the department of Cordoba—the government reiterated its condition not to reach agreements with those who are outside of the law.

National Security Council Issues Crime Report

PA0709042490 Paris AFP in Spanish 2000 GMT 1 Sep 90

[Text] Bogota, 1 Sep (AFP)—A National Security Council report reveals that over the past eight months 654 police force members have been killed. The drug mafia is believed responsible for 435 of these crimes.

Published today, the document explains that 115 of these murders were carried out by common criminals, and the other 104 by several subversive groups.

During this same time frame, 460 terrorists acts were perpetrated. Three hundred and eleven utilized explosives and 149 were fire related.

The report indicates that 3,799 Colombians, along with 13 foreigners, were linked to drug trafficking.

During the anti-narcotics operations from January to August, 12,131 kg of cocaine; 2,897 kg of cocaine base; and 850 kg of heroine were seized, while 761,885 coca leaf plants; 32,128 marijuana plants; and 100 poppy plants were destroyed. Also, 162 drug processing laboratories where discovered and dismantled and 173,691 gallons of ether and 113,452 gallons of acetone were seized.

In the struggle against "narcoterrorism," the police confiscated 4,995 kg of Ecuadoran dynamite used by the mafia in their car bombing terrorists acts—suspended until a month ago when they declared a unilateral truce.

The report, which reflects the evolution of law and order in Colombia so far this year as a result of the operations carried out by the state security institutions, concludes that in the last month there has been conspicuous peace and tranquillity in the nation.

Kidnapping Statistics Issued

PA0609154190 Paris AFP in Spanish 1647 GMT 1 Sep 90

[Text] Bogota, 1 Sep (AFP)—A report from the National Security Council, released on 1 September in Bogota, states that during the eight months that have elapsed this year, 63 members of the Armed Forces have been kidnapped in Colombia. The report also indicates that a total of 844 persons are being held captive.

Authorities have expressed concern about the increase in criminal cases of this type, which are mainly perpetrated by leftist guerrillas and common delinquents.

According to the official document, most of the kidnappings of military personnel have had a coercive and propagandistic nature. These kidnappings are attributed to subversives, especially the National Liberation Army (ELN), which, through these actions, basically want their communiques to reach the government.

On the night of 31 August, an alleged ELN urban commando tried to kidnap journalist Yamid Amat, director of privately owned Radio Caracol, apparently with the intention of giving him a message for the government.

The civilian population, stock breeders, and businessmen are the kidnappers' main victims. The kidnappers demand million-dollar ransoms to set them free.

According to authorities, kidnapping is one source of leftist rebel funding.

Medellin Drug Cartel Support Network Dismantled

PA0609162690 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 3 Sep 90

[Text] In Medellin the Metropolitan Police have dismantled a drug trafficking support network of the so-called Medellin Cartel. Eight individuals were arrested and gang members have been accused of murdering two representatives of Munoz and Company.

The Judicial Police and Criminal Statistics, F-2, of the Metropolitan Police this morning reported the dismantling of a drug trafficking support network. Eight persons were accused by the authorities of participating in the murder of Mr. Mario (word indistinct) Loiza, legal representative of Munoz and Company. According to the F-2, those arrested wanted to reclaim the property and worked out a scheme that reportedly included drawing up false documents, murdering the estate representatives, and on 30 August, taking the property by force, firing the personnel, and selling 600 head of cattle.

During the operation, police seized three revolvers, two pistols, one rifle, one station wagon, and a jeep. The property had been seized by a Valparaiso court and placed under the control of the National Narcotics Council. The persons arrested today showed signs of physical mistreatment.

Government Orders Extradition of 3 to U.S.

PA0609170390 Bogota Radio Cadena Nacional in Spanish 1200 GMT 6 Sep 90

[Text] Bogota—The government has authorized the extradition to the United States of three Colombians accused of crimes related to drug trafficking. It has turned down the U.S. requests for the extradition of three other persons, because it felt that the requests lacked merit. In addition, it has temporarily suspended the extradition of one person who is seriously ill. As was announced by Justice Minister Jaime Giraldo, the government has studied each of the seven extradition requests. After legal study, the government decided to authorize the extradition to the United States of three citizens. The Colombians who will be transferred to U.S. courts are: Raul Hernan Bucheli, for selling cocaine; Jose Hilario Ortiz Brine, for the same crime; and Joaquin Osvaldo Gayo Chamorro for selling and distributing drugs. Moreover, the government has denied the requests to extradite Guido Bucheli Ortiz, Manuel Antonio Garces Gonzalez, and Rodolfo Donado Suarez. The Justice Ministry has temporarily suspended

the decision to extradite Luis Fernando Moralez Carvajal, who is hospitalized with a serious illness.

Industrialist, Cartel Kidnappers Killed in Rescue

PA0609204890 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 5 Sep 90

[Text] Antioquia Department industrialist Julian Echavarria Lince, who was kidnapped on 18 May, died today along with 12 of his kidnappers in a clash between the kidnappers and the police.

Echavarria Lince had been kidnapped with his 11-year-old stepson when he was traveling to a farm near Rionegro. Elite police units and the DIJIN [Directorate of Judicial Police and Investigations] had been conducting an operation against drug trafficking in the area of Doradal when they came across the place where the industrialist was being held. The minor was rescued uninjured.

Echavarria Lince was the son of Norman Echavarria Olozaga who was kidnapped and released last year. He was the cousin of Patricia Echavarria, who was held with her daughter by The Extraditables for several days. Echavarria Lince was one of the 30 people who have been kidnapped in Medellin in the last six months.

According to the authorities in Medellin, the kidnappers, apparently members of the Medellin Cartel, had demanded a $20-million ransom. The police confiscated 14 rifles and machine guns.

Army Confiscates Dynamite on Ecuadoran Border

PA0609215890 Mexico City NOTIMEX in Spanish 2244 GMT 3 Sep 90

[Text] Bogota, 3 Sep (NOTIMEX)—It was reported in this capital city today that Army troops stationed along the Ecuadoran border have seized 120 sticks of dynamite and detained two alleged terrorists who were planning to take the explosives into Colombia.

An Army source reported that the military operation was carried out in Arrayan, approximately 50 km north of the border with Ecuador, in Narino Department.

In addition to the 120 sticks of Ecuadoran-made dynamite, the Army confiscated 110 detonators, 110 meters of safety fuse, and 1,500 rounds of high-caliber ammunition. This is the third time dynamite has been found in this department in less than a week.

In the operation called "Watchman," the Army has succeeded in locating and confiscating more than 300 kg of dynamite near Tuquerres, the capital of Narino Department, over the past days.

Police Capture Two Wanted by U.S. Authorities

PA3108195890 Paris AFP in Spanish 1840 GMT 31 Aug 90

[Text] Bogota, 31 Aug (AFP)—Colombian police have captured Colombian citizen Luis Felipe Fonseca Beltran—who is wanted for extradition by the U.S.—and have turned him over to the Justice Ministry, it has been reported.

Fonseca Beltran was arrested at a farm in Puerto Boyaca Municipality, and was taken to a cell of the Directorate of Judicial Police and Investigations (DIJIN) in Bogota.

On 30 August, the police also arrested Segio Restrepo Restrepo—reportedly an extraditable—in an apartment in the exclusive El Poblado residential area in Medellin, Antioquia Department, in northwestern Colombia.

According to the police, U.S. authorities are charging Fonseca Beltran with conspiracy to distribute cocaine and launder money.

With the capture of Fonseca Bletran and Restrepo Restrepo, this brings to 16 the total number of persons who await transfer to U.S. authorities.

The administration of Colombian President Cesar Gaviria, who took office on 7 August, has so far not authorized any extraditions.

Alleged Drug Leader Captured, Wanted in U.S.

PA0509010490 Hamburg DPA in Spanish 0052 GMT 5 Sep 90

[Text] Bogota, 4 September (DPA)—According to information reported by newspapers in Bogota, Colombian officials captured alleged mafioso Nicolas Hoyos Giraldo in Medellin today.

The United States has a pending request for Hoyos Giraldo's extradition. A State of Florida court has charged him with homicide and conspiracy to distribute cocaine.

The previous Colombian Government, headed by President Virgilio Barco Vargas, declared "war" on the drug trafficking mafia in October 1989. Since then, 22 persons accused of being drug cartel members have been extradited to the United States.

Official spokesmen have reported that a man and a women were arrested in Bogota's "El Dorado" airport as they were about to leave for the Caribbean island of Aruba. According to officials, Jaime Herrera and Sandra Reyes had ingested more than 150 capsules of cocaine.

Various Sectors React to Gasoline Price Increase

PA0209190190 Bogota Inravision Television Cadena 1 in Spanish 0005 GMT 31 Aug 90

[Italicized passages are recorded]

[Text] Entrepreneurs, workers, and bus drivers today protested the fuel price increase. The entrepreneurs said that the gasoline price hike would increase production costs. The workers said that the increase will unleash inflation. The carriers said what they always say when the gasoline price goes up: they will have to raise fares. For workers, the fuel price increase does not represent a control on the cost of living. On the contrary, it accelerates inflation.

[CUT (United Workers Federation) President Jorge Carrillo] *Now, as in previous instances, the price of food and the cost of freight will rise and the government is unable to prevent it.*

For entrepreneurs, the rise, in addition to being controversial, increases production costs and the price of services at a time when there is talk of an economic opening.

[Asotrans (Association of Carriers) President Jairo Rojas] *At present, our production costs have already increased 23 to 24 percent. In any economic activity, this rise is too high and will of necessity force the government to authorize an increase in fares.*

The government justifies the gasoline price hike, but not a revision of the passenger bus fares. Freight costs are governed by supply and demand, with which the government has said it has nothing to do.

[Public Works Minister Juan F. Gaviria] *We do not believe that the incremental increase in costs both in urban and intermunicipal transportation merits additional study to try to modify either urban transportation fares or intermunicipal fares.*

The gasoline price increase decreed by the government yesterday will not be the only one required on a mid-term basis, in view of the gap between true prices and current prices in Colombia. This station has confirmed, however, that, contrary to what was said yesterday, it is not true that the Persian Gulf situation has caused the price of gasoline to increase. Simply stated, if today we have to pay more than we paid yesterday for the fuel we use, it is because the state had been selling it to us at a lower price. War or no war, the price of gasoline had to go up.

[Ecopetrol (Colombian Petroleum Enterprise) President Andres Restrepo] *The country could not go on indefinitely using prices further and further from international levels.*

True, every time either a poor or wealthy, big or small carrier fills up his vehicle's tank, he receives state aid equivalent to a subsidy of 68 billion pesos per year. This explains why Colombian gasoline is the world's least expensive. In addition, too much gasoline is used in Colombia. The most effective mechanism for preventing excessive gasoline consumption in Colombia is to bring the price of fuel to its true figure.

[Restrepo] *Over the short term, there is no intention to take any other measures. Over the medium and long term, however, the policy most convenient for the country is to have more realistic fuel prices.*

Peru

Armed Forces Decorate President Fujimori

PY0509132290 Lima Television Peruana in Spanish 0100 GMT 5 Sep 90

[Excerpts] President Alberto Fujimori has received two important decorations: the Peruvian Cross of Military Merit and the Francisco Bolognese Military Order in the grade of Grand Cross. President Fujimori received the two decorations from Defense Minister General Jorge Torres Aciego in a ceremony at Government Palace. [passage omitted]

[Begin recording] [Unidentified speaker] Gentlemen, we will now hear a message from Engineer Alberto Fujimori Fujimori, constitutional president of the Republic.

[Fujimori] Mr. Defense Minister, and Army, Navy, and Air Force Commanders and Generals: It is a great honor for me to wear the important decorations that I received today. At this extremely important moment in my life, I must tell you that my administration values the discipline and principles that the Armed Forces represent in their work for the benefit of the country and toward the fulfillment of the high objectives that guide us all. This is why I feel proud to wear these extremely important decorations. I want to reemphasize the high objectives shared by this administration and the Armed Forces. These objectives guide our governing activities, which are centered—as the defense minister said so well—on the pursuit of well-being for the most needy Peruvians. Thank you very much for these decorations. [applause] [end recording]

PRC To Build Cement Plant in Tarapoto

PY0609133590 Lima Television Peruana in Spanish 1100 GMT 6 Sep 90

[Text] The PRC will reportedly build a cement plant in Tarapoto. This was announced by Liang Lingguang, chairman of the Overseas Chinese Affairs Committee of China's National People's Congress, after meeting with Senate President Maximo San Roman.

* Poll Reveals Opinion on Market Economy

90SM0211A Lima EL COMERCIO in Spanish 25 Jul 90 p A6

[Text] A majority of the residents of Greater Metropolitan Lima have come out in favor of a radical reform of government and of the country's economy in order to establish a true market economy, according to the latest major poll conducted by the Apoyo S.A. firm.

Asked whether they think a market economy would be best for the country, 58 percent said yes, 24 said no, and 18 percent did not specify an answer.

Another question was whether foreign investment ought to be promoted; 87 percent said yes, 6 percent no, and 7 percent did not say.

People were also asked whether private enterprise is beneficial to the country. Some 70 percent said it was, while 16 percent disagreed.

Another question was whether government ought to be smaller. Fifty-two percent said it should, and 32 percent said it should not. Sixteen percent did not respond. In this same vein, 48 percent said that they agreed that most state-run enterprises ought to be sold off, while 39 percent said they should not be. Some 56 percent came out in favor of the government leaving production up to the private sector, while 28 percent were opposed.

Questions having to do with the abolition of price controls under a market economy elicited negative responses, as 62 percent said they were against such a move, 32 percent said they were for it, and 6 percent did not say.

Likewise, 64 percent came out against repealing the job-security law.

Comparatively speaking, as we can see from the above table, people's opinions have grown stronger in both directions between April of last year and this July.

Attitudes Towards a Market Economy (percent answering yes)

Proposition	April 1989	July 1990
Foreign investment ought to be promoted	71	87
Private enterprise is beneficial to the country	63	70
A market economy is best for the country	54	58
Government should leave production up to the private sector	51	56
Government ought to be smaller	39	52
Breaking up lands is best for agricultural development	56	50
Most state-run enterprises ought to be sold off	49	48
Price controls ought to be abolished	30	32
The Job Security Law ought to be repealed	30	27

Apoyo, S.A.; Lima, July 1990

* Poll Reveals Opinion of Government, Terrorism

90SM0211B Lima PERU ECONOMICO in Spanish 7 Jul 90 p 17

[Text]

Opinion Poll

Which of These Problems Do You Think Will Be Resolved or Alleviated Significantly Under the Fujimori Administration?

Problem	Percent
Inflation/Cost of living	36
Unemployment/Lack of jobs	31
Terrorism/Subversion	19
Foodstuffs/Nutrition	14
Corruption/Bribery	10
Education	10
Shortages/Scarcity	10
Inequality/Gap between rich and poor	9
Drug trafficking/Drugs	8
Foreign debt	8
Social well-being	2

How Is Your Personal Economic Situation Compared to July 1985?

Response	Percent
Better	8
The same	31
Worse	59
Did not specify/no reply	2

How Do You Think Your Personal Situation Will Be in Six Months?

Response	Percent
Better	17
The same	27
Worse	17
Did not specify/no reply	39

What Do You Think the Future Holds for Shining Path?

Response	Percent
It will win	6
It will be defeated	36
It will abandon the armed struggle	30
Did not specify/no reply	28

What Do You Think the Future Holds for the Tupac Amaru Revolutionary Movement?

Response	Percent
It will win	5
It will be defeated	35
It will abandon the armed struggle	29
Did not specify/no reply	31

Technical Data: Poll conducted by the Opinion and Marketing Division of Apoyo S.A., using the multistage method, among 570 persons in Greater Metropolitan Lima on 13 and 14 June 1990.

Venezuela

Perez Opens SELA Ministerial Meetings

PA0609191090 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 6 Sep 90

[Text] A few moments ago, President Carlos Andres Perez opened the ministerial meetings of the 16th Latin American Council of SELA [Latin American Economic System] at a new plenum at SELA headquarters.

Twenty-three foreign relations and economic ministers of SELA member countries will participate in this ministerial meeting. It is expected that they will approve the decisions and recommendations prepared during the technical session of the consulting council that ended yesterday.

Ambassador Carlos Perez del Castillo, permanent secretary of SELA, Guatemalan Economic Minister Oscar Pineda Robles, as president of the council meeting, and former Mexican President Luis Echeverria delivered speeches at the inauguration ceremony.

This important meeting takes place within the framework of the 15th anniversary of SELA that resulted from the initiative of then serving presidents of Venezuela and Mexico, Carlos Andres Perez and Luis Echeverria, respectively, to coordinate joint positions and promote cooperation among the countries of the region.

New Refineries To Process 400,000 Barrels Daily

PA0609151490 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 4 Sep 90

[Text] Venezuela will open two oil refineries in the Orinoco oil strip. The two refineries will undergo extensive conversion [conversion profunda] so that each will be able to process 200,000 barrels per day of heavy and acid crudes. The plants will cost over $2.4 billion, and the U.S. and Venezuelan Governments are discussing the financing of the refineries.

The United States will supply high technology and long-term payments, while Venezuela will supply the product. Energy and Mines Minister Dr. Celestino Armas began the talks in Washington.

The petroleum that Venezuela will extract in the future is heavy and acidic. To process it, Venezuela needs high technology and extensive conversion equipment, which requires a massive investment of millions of dollars that Venezuela cannot manage by itself. In conversations with the U.S. secretary of energy, Minister Celestino Armas stated that Venezuela is interested in intensifying trade with that country to guide the Bush Initiative for development regarding Venezuela toward investing in hydrocarbons.

At the same time, the international market is registering a significant and pervasive shortage of refined products because of the lack of production in Kuwait, the refineries of which are designed for export. In Venezuela the two refineries to be opened would also be designed with this goal in mind, to export on the international market. Negotiations are being carried out based on exchange, whereby U.S. capital would supply the technology, and Venezuela the product, on a long-term basis. The cost of the two refineries is over $2.4 billion and the capacity will be 200,000 barrels per day per refinery, that is, 400,000 barrel per day that would be processed in the country. This will significantly increase our national production.

[Begin Armas recording] The conditions currently exist for us to take specific actions that would allow us to make timely use of our heavy and acid crudes. This will be done through a transfer of advanced technology, extensive conversion, and financial mechanisms that will allow Venezuela to carry forward its program with the cooperation of consuming nations. These nations, after all, stand to benefit most from the effort Venezuela is making to increase its production capacity, which should go hand in hand with an increase in its refining capacity. [end recording]

The economic cabinet today approved a modification of the partial ruling on legislation related to capital for exports, licenses, and royalties regarding hydrocarbons, whereby the Energy and Mines Ministry will now control all phases to facilitate private, national, or foreign investments in the petroleum, petrochemical, and coal sectors of our country.